

CITY OF TORONTO

TREASURY DEPARTMENT



Annual Report

OF THE
COMMISSIONER OF FINANCE

1941

AND

Summaries of the Activities of
Canadian National Exhibition, Royal
Agricultural Winter Fair, Toronto Harbour
Commissioners, Toronto Hydro-Electric System
and Toronto Transportation Commission, etc.

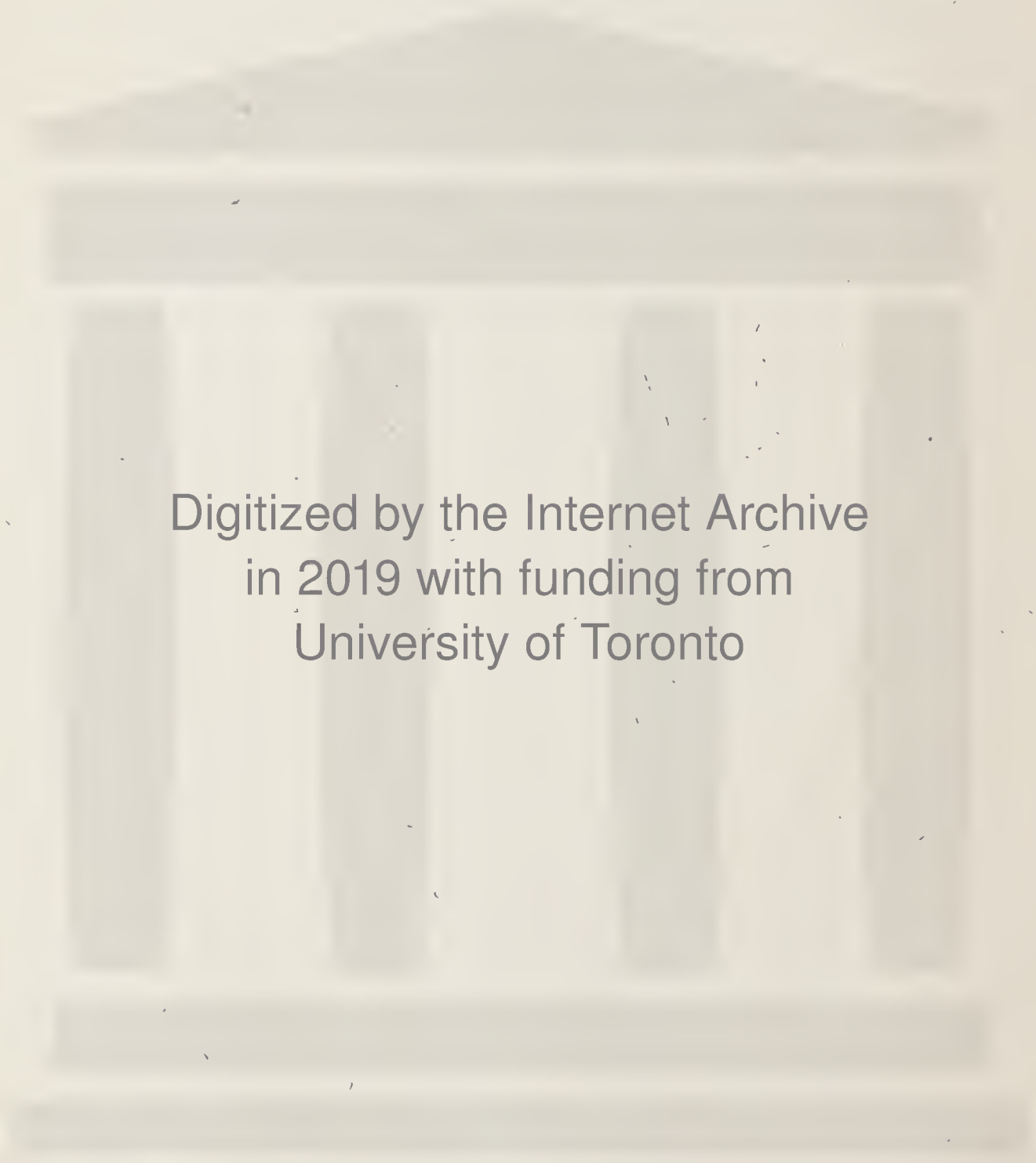
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Toronto, Treasury Department
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City Hall, Toronto — Erected 1899

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ANNUAL REPORT OF THE COMMISSIONER OF FINANCE

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HONOUR ROLL

MEMBERS OF THE STAFF OF THE TREASURY DEPARTMENT
SERVING IN HIS MAJESTY'S FORCES



ABEL, JAMES K.
ABREY, G. ROY
ARCHER, FREDERICK G.
ARNOLD, ALBERT S.
BILLINGER, JAMES
BROWN, EDWARD G.
BULL, IVAN E.
BUTLER, EVERARD B.
CHAMPION, RALPH O.
CORBY, J. CHARLES
DUNFIELD, WARREN S.
EVANS, RICHARD C.
FORSTER, HAROLD E.
FRIZELLE, JACK W.
GOSNEY, HAROLD G.
HINTON, JAMES W.
IRVINE, ALEX. M.

KIRK, HAROLD
LAWSON, JACK W.
MacKAY, ROSS H.
MORLEY, CHARLES G. R.
O'HALLORAN, GEORGE W.
PARSONS, FREDERICK A.
PENGELLY, G. ALLAN
QUINN, JOSEPH D.
ROBINSON, JAMES T.
SAXON, FREDERICK H. B.
SIGSWORTH, OSCAR T.
STEEL, ROBERT E. H.
THOMPSON, FREDERICK W.
TINKER, A. HAROLD
TWEDDLE, JOHN
WEBBER, JACK C.
WYLIE, NORMAN R.

MEMBERS OF THE CITY COUNCIL—1941

MAYOR

FRED J. CONBOY, D.D.S.

BOARD OF CONTROL

HIS WORSHIP THE MAYOR, Chairman	LEWIS DUNCAN, M.C., K.C., Vice-Chairman	
FREDERICK HAMILTON	ROBERT H. SAUNDERS	WILLIAM J. WADSWORTH

ALDERMEN

WARD 1

FRANK M. JOHNSTON
(Deceased Oct. 10th, 1941)
GORDON J. MILLEN, D.D.S.

WARD 2

WILLIAM DENNISON
J. LOUIS SHANNON, K.C.

WARD 3

PERCY J. QUINN
JOHN S. SIMMONS

WARD 4

NATHAN PHILLIPS, K.C.
HUGH A. ROSS, D.D.S.

WARD 5

ERNEST C. BOGART, K.C.
C. M. CARRIE

WARD 6

DONALD C. MacGREGOR
WILLIAM V. MUIR

WARD 7

H. M. DAVY
CHARLES ROWNTREE

WARD 8

WALTER A. HOWELL
H. E. McCALLUM

WARD 9

DONALD M. FLEMING
JOHN M. INNES

HEADS OF DEPARTMENTS—1941

(Arranged in the order of entering Civic Service)

	Entered Civic Service	Years in Civic Service	Appoint- ed Head of Dept.
J. W. SOMERS, O.B.E..... City Clerk.....	1884	57	1928
C. E. CHAMBERS..... Commissioner of Parks.....	1889	52	1912
W. GEO. FARLEY..... Assessment Commissioner.....	1891	50	1929
GEO. SINCLAIR..... Chief of the Fire Department.....	1895	46	1930
A. W. LAVER..... Commissioner of Public Wel- fare.....	1896	45	1931
R. C. HARRIS..... Commissioner of Works and City Engineer.....	1899	42	1912
K. S. GILLIES, M.R.A.I.C..... Commissioner of Buildings.....	1905	36	1932
C. M. COLQUHOUN, K.C..... City Solicitor.....	1907	34	1925
			1933
G. D. BLAND..... Property Commissioner	1909	32	1935
TRACY D. leMAY, O.L.S..... City Surveyor.....	1910	31	1930
S. C. SCOTT, C.A..... City Auditor	1912	29	1919
G. P. JACKSON, M.B., D.P.H. Medical Officer of Health	1915	26	1929
H. D. BRADLEY..... Street Commissioner.....	1916	25	1935
E. E. HUNT..... Abattoir Commissioner.....	1916	25	1933
BRIG.-GEN'L. D. C. DRAPER, C.M.G., D.S.O..... Chief Constable.....	1928	13	1928
GEO. WILSON..... Commissioner of Finance and City Treasurer to Sept. 30th, 1941.....	1929	12	1929
G. A. LASCELLES..... Commissioner of Finance and City Treasurer from Oct. 1st, 1941	1913	28	1941

CITY OF TORONTO

DEBENTURE DEBT, DECEMBER 31st, 1941

See Details of Debenture Debt, Pages 26 and 28

GROSS DEBENTURE DEBT:

Sinking Fund Bonds.....	\$31,010,393	
(Sinking Fund Accumulation, \$23,287,746)		
Serial Instalment Bonds.....	89,975,039	\$120,985,432

DEDUCT:(1) SPECIALLY-RATED AND REVENUE-PRODUCING DEBTS
AS FOLLOWS:

Toronto Transportation Commission (See Page 42).....	\$17,501,000
Toronto Hydro-Electric System (See Page 40).....	11,204,707
Waterworks (See Page 37).....	23,561,983
Local Improvements (Ratepayers' Share).....	3,455,521
Canadian National Exhibition Buildings (See Page 34)....	1,654,733
Airports—Municipal (See Page 39).....	923,000
Royal Agricultural Winter Fair Buildings (See Page 35)..	907,697
Abattoir (See Page 36).....	252,595
Island Ferry Service (under T.T.C. Operation).....	193,000

\$59,654,236

Less:

Debt Redemption Funds on Above Debts:

Sinking Funds.....	\$ 9,260,748	
For Instalment Debt Redemption.....	1,016,936	10,277,684

\$49,376,552

Supporting the Public Utility debts are plants, properties and equipment of value in excess of the debts outstanding.

(2) SINKING FUNDS (See Page 32):

On General and Education Debt.....	\$14,026,998	
On Special Debts.....	9,260,748	23,287,746

(3) FUNDS ON HAND FOR INSTALMENT DEBT
REDEMPTION.....

1,016,936

73,681,234

NET GENERAL AND EDUCATION DEBT.....

\$47,304,198

The City owns lands and buildings of value in excess of Net General and Education Debt, in addition to taxing authority upon assessments totalling \$948,228,583.

ASSESSMENT, ETC.

Assessed Value of Rateable Property (1942) for School purposes.....	\$948,228,583
Assessed Value of Rateable Property (1942) for General purposes.....	876,156,152
Exemptions not included in the foregoing.....	156,476,799
Capital Assets as at December 31st, 1941 (See Balance Sheet, Page 18).....	122,522,490
Revenue from general taxation, 1942, as per Estimates (net).....	29,276,034
Revenue other than taxation, 1942, as per Estimates (including Provincial Government subsidy of one mill on General Assessment).....	7,083,406
Population, 1941.....	655,751
Area of City (Land and Water).....	25,966 acres
Tax Rate for 1942.....	32.60 mills

ANNUAL REPORT

of the

Commissioner of Finance

of the

City of Toronto

1941



Toronto, June 30th, 1942.

His Worship, Mayor Fred J. Conboy, D.D.S.,
And Members of the Council of the City of Toronto.

Dear Sirs:

I beg to submit the Annual Report and Financial Statements of the Corporation of the City of Toronto for the year ended December 31st, 1941, including copy of the Balance Sheet, bearing Certificate of the City Auditor and Statement of Revenues and Expenditures.

SUMMARY OF YEAR'S BUSINESS			
Expenditure		Revenue	
Common Welfare Services.....	\$32,852,297	Taxation.....	\$31,062,378
Special Services.....	4,512,524	Provincial Government—	
Surplus, 1941.....	645,127	Subsidy of One Mill on	
		General Assessment.....	876,934
		Special Services.....	4,188,656
		Miscellaneous Services.....	1,771,008
		Surplus brought forward	
		from 1940.....	110,972
	\$38,009,948		\$38,009,948

Special Services include—Waterworks (p. 37), Toronto Harbour Commissioners (p. 38), Canadian National Exhibition (p. 34), Royal Agricultural Winter Fair (p. 35), Municipal Abattoir (p. 36), Civic Airports (p. 39) and Island Ferry Service.

Current Expenditures (See Statements—Pages 21 and 22)

Total current expenditures in 1941 amounted to \$37,364,821, compared with \$37,977,465 in 1940—a reduction of \$612,644. Compared with \$41,644,887 in 1931, the “peak” year of such expenditures, a reduction of \$4,280,066 has been achieved.

Current Expenditures (Continued)

The following summary of information contained in the statements referred to in the caption of this section, facilitates determination of the extent to which the respective administrative bodies have reduced current expenditures in an effort to alleviate the financial burdens of City Taxpayers, occasioned particularly by large expenditures for unemployment relief, combined with decreased taxable assessments in aggregate, during the period of the general economic depression and by increased Dominion taxation and other obligations as a result of the War.

Particulars	Current Expenditures			Decrease (D) or Increase (I) 1941 compared with	
	1931	1940	1941	1931	1940
General:					
Maintenance					
Ordinary.....	\$15,399,512	\$12,525,178	\$12,391,845	\$3,007,667D	\$133,333D
Exchange.....	1,030,422	398,215	348,125	682,297D	50,090D
Water Charge—					
Fire.....	992,800	159,820	161,280	831,520D	1,460I
Statutory—Welfare	1,971,134	1,262,069	1,203,810	767,324D	58,259D
Direct Relief.....	849,391	921,007	655,324	194,067D	265,683D
Debt Charges					
Ordinary.....	5,075,455	4,999,598	4,922,193	153,262D	77,405D
Direct Relief.....		1,939,861	2,129,617	2,129,617I	189,756I
Special Services:					
Maintenance.....	3,007,983	2,181,950	2,123,947	884,036D	58,003D
Debt Charges.....	2,167,045	2,480,742	2,388,577	221,532I	92,165D
Education:					
Maintenance.....	9,311,662	9,235,659	9,135,360	176,302D	100,299D
Debt Charges.....	1,839,483	1,873,366	1,904,743	65,260I	31,377I
Total.....	\$41,644,887	\$37,977,465	\$37,364,821	\$4,280,066D	\$612,644D

Under the "General" classification, certain items of expenditure have been segregated in order that the reduction, which may be considered as reflecting the effort made to lighten the burden of the taxpayers, will be more evident.

Reductions in the cost of foreign exchange to meet debenture debt obligations are, of course, a result of international factors and also of the gradual reduction in outstanding external payment debt.

The decrease in the water charge for fire protection is due to a change made in 1938 in the basis of such charge. This change also effects a corresponding reduction in Waterworks revenue and in the surplus available to abate general taxation. It is quite obvious, therefore, that the reduction in expenditure on this account produces no net benefit to the taxpayers.

The reduction since 1931 in Statutory Welfare expenditure is chiefly the result of the assumption by the Ontario Government, in 1937 and 1938, of the cost of Old Age

Current Expenditures (Continued)

Pensions, Mothers' Allowances and Hospital Care of Tuberculosis Patients and therefore cannot be considered as a factor indicative of City retrenchment.

The expenditure for Direct Unemployment Relief (exclusive of Debt Charges), shown in the above statement, represents only the portion of the total cost to the City for that year, which was met out of the respective year's revenue, the balance being funded. (See Page 30.) Such amounts, therefore, reflect merely the policy adopted as to the amount of the City's cost to be met from the respective year's revenue. Debt charges incidental to Direct Relief are, of course, concomitant with the funding deemed necessary during the period 1933-1940 to finance the large expenditure required on this account, through conditions beyond the control of the City Administration.

After eliminating the above noted items, it will be observed that general City maintenance expenditure in 1941 was \$133,333 below that of 1940 and \$3,007,667 under 1931. The apparently small reduction in 1941 below 1940 can, in fairness, only be considered in the light of the large reduction since 1931, which represents a decrease of approximately 20% and is accounted for as follows:

<u>Service (Maintenance)</u>	<u>Reductions since 1931</u>
Highways—Roadways, Bridges, etc.....	\$ 833,933
Parks and Recreation.....	597,614
Sanitation and Drainage—Street Cleaning, Collection and Disposal of Garbage, Sewers, etc.....	479,892
Protection—Police, Fire, etc.....	333,272
General Administration—City Council, Assessment, Audit, City Clerk's, Law, Planning, and Treasury Departments, etc.....	216,982
Health—Public Health Services, Isolation Hospital, etc.....	120,313
Sundry—Libraries, Hospital Deficits, Welfare Grants, etc.....	425,661
	\$3,007,667

The decrease of \$884,036 in Special Services maintenance costs compared with 1931 is due to—

Reduction in amount required from the City to meet Debt Charges on Toronto Harbour Commissioners' Debenture Debt, under City's guarantee, resulting from decreased debenture interest and improved Harbour revenues.....	\$ 636,624
Reduction in Maintenance Costs of—	
Waterworks	180,921
Canadian National Exhibition.....	51,430
Royal Agricultural Winter Fair.....	13,196
Abattoir.....	9,413
	\$ 891,584
Less:	
Increased Maintenance Deficit on Island Ferry Service.....	7,548
(Note—Maintenance Deficit in 1941, however, was only \$12,508 against \$43,308 in 1940)	
	\$ 884,036

Current Expenditures (Continued)

With the exceptions of the Duplicate System of Waterworks and Civic Airports, the debt charges in respect of Special Services in 1941 were less than, or approximately the same as, in 1931. Such reductions operated to largely offset (except to the extent of \$221,532) the increases in respect of these two services, particularly the large increase of \$521,433 on account of the Duplicate Waterworks System, which although authorized by the ratepayers in 1925, was funded over the years 1927 to 1940 as construction expenditure required, with the result that the full annual debt charges did not become effective until 1941.

Current Revenues (See Statement—Page 23)

Total current revenues in 1941 amounted to \$37,898,976, and compare with 1940 and 1931 as follows:

Source	Current Revenues			Decrease (D) or Increase (I) 1941 compared with	
	1931	1940	1941	1931	1940
Taxation.....	\$33,577,771	\$31,768,644	\$31,062,378	\$2,515,393D	\$706,266D
Ontario Government Subsidy.....		883,800	876,934	876,934I	6,866D
General—Licenses, Rentals, etc.....	2,367,060	1,730,833	1,771,008	596,052D	40,175I
Special Services.....	4,449,415	3,852,437	4,188,656	260,759D	336,219I
	\$40,394,246	\$38,235,714	\$37,898,976	\$2,495,270D	\$336,738D
Add:					
Surplus available from previous year.....	362,289		110,972	251,317D	110,972I
Reserve for Deferred Expenditure—available from previous year.....	251,754	5,000		251,754D	5,000D
Total Revenue.....	\$41,008,289	\$38,240,714	\$38,009,948	\$2,998,341D	\$230,766D
Reconciliation with Current Expenditures					
Deduct					
Deficit from previous year.....		—152,277			
Reserve for Expenditure deferred to following year.....	—254,688				
Surplus available to following year.....		—110,972	—645,127		
Add:					
Deficit met following year.....	+891,286				
	\$41,644,887	\$37,977,465	\$37,364,821		

Current Revenues (Continued)

The reduction in revenue from taxation in 1941, as compared with 1940, of \$706,266 is due in part to the reduction in taxable assessment but to a larger extent to the decrease in the General Tax Rate from 23.70 mills in 1940 to 23.15 mills in 1941, the total School rate being 11.45 mills in both years for Public School Supporters and 15.65 mills in 1941 against 15.50 mills in 1940 for Separate School Supporters.

In comparing taxation revenue in 1941 with that of 1931, it must be remembered, that whereas the City had, and exercised, the power to tax personal income in 1931, that privilege was abolished by the Ontario Government in 1936 and a Provincial Income Tax was imposed. In 1936, the City was reimbursed by the Ontario Government to the extent of an amount equivalent to the revenue derived from that source in 1935 and since that time has received an annual subsidy representing one mill (one and one-half mills in 1939) on the total general taxable assessment. Adding the subsidy of \$876,934 received in 1941 to the taxation revenue in that year for comparison, it will be observed, that the total revenue derived therefrom was \$1,638,459 below the tax revenue of 1931.

Since 1932 the City's administration has been faced with consistently large annual reductions in the total taxable assessment, with the result that, although the actual revenue derived in 1941 from taxation and the Ontario Government subsidy was \$1,638,459 below the tax revenue of 1931, the total tax rate required in 1941 was 34.60 mills, after deduction of the one mill subsidy, compared with the even lower rate of 33.60 mills in 1931.

General revenue other than taxation in 1941 was slightly in excess of that in 1940 from practically every source. The only noteworthy exception was a decrease in revenue realized from interest and penalty charges on overdue taxes, after deduction of discounts allowed on taxes paid in advance. This reduction of \$90,230 is explained by the fact, that the total of the current tax levy in 1941 and arrears at the beginning of the year was \$2,155,245 less than the corresponding amount in 1940, and also by improved collections as a result of higher money incomes of taxpayers generally. The decrease of \$596,052 in 1941, as compared with 1931, is chiefly due to the fact, that while there was a large net credit on interest account in 1931 resulting from the temporary employment of debenture funds on hand, there has been no corresponding item since 1932, as new capital improvements in this period have been of relatively small amounts and funded only after completion of construction.

While increased revenue in 1941 from operations of the Waterworks system, Canadian National Exhibition, Municipal Abattoir and Civic Airports, all contributed to the total increase of \$336,219 in revenue from Special Services, compared with 1940, the largest absolute increases were incidental to the Waterworks System (\$233,327) and the Canadian National Exhibition (\$73,717). The decrease of \$260,759 in 1941 in such revenue, compared with 1931, is more than accounted for by a reduction of \$831,520 in Waterworks revenue derived from the charge to the Fire Department for water for fire protection (basis changed in 1938). After elimination of this reduction of \$831,520, for the purpose of proper comparison, the revenues from Special Services in 1941 were \$570,761 in excess of those in 1931. This increase was due almost entirely to increased Waterworks revenue from the public but includes increased Municipal Abattoir revenue, \$36,749 and a new special service revenue, Civic Airports \$20,586.

Net Operating Results of Special Services

Since the taxpayer is probably more interested in the **Net** operating results (including debt charges) of Special Services, the following comparison of 1941 with 1931 is submitted.

Special Services	Net Surplus (S) or Deficit (D)	
	1931	1941
Abattoir.....	\$ 22,725 D	\$ 25,252 S
Airports.....	.....	47,344 D
Canadian National Exhibition.....	131,989 D	61,595 D
Housing Commission.....	15,951 D	.....
Island Ferry Service.....	30,750 D	39,154 D
Radial Railways.....	271,354 D	.....
Royal Agricultural Winter Fair.....	86,304 D	75,610 D
Toronto Harbour Commissioners.....	1,166,252 D	529,628 D
*Waterworks.....	6,912 S	242,931 S
Net Cost to City Taxpayers.....	\$1,718,413 D	\$485,148 D

*After deduction from Waterworks revenue of charge to City for water for Fire Protection: 1931—\$992,800; 1941—\$161,280.

Surplus

The 1941 surplus of \$645,127 represents the net operating result for the year, of actual compared with budget amounts, in respect of all services affecting the general tax rate. The fact that \$456,523 of the surplus was due to unanticipated general and special services revenue, reflects the increased industrial and commercial activity as a result of the war. Revenue from Special Services was in excess of estimate by \$293,685 and of this amount \$217,012 was on Waterworks, and \$43,142 on Canadian National Exhibition, operations.

The net decrease of \$188,604 in expenditure for the year, compared with estimate, is due to savings of \$81,390 in Statutory Welfare, \$41,212 in the current charge for Direct Relief, \$86,401 in Special Services and \$16,980 in total debt charges, less \$37,379 greater expenditure for ordinary maintenance. It is worthy of note, that the latter figure is a net amount, after making allowance for \$85,035 three months' non-estimated cost of the War Time Cost-of-Living bonus.

Tax Collections

The following statement discloses that 89.6% of the total taxes payable in 1941 (including arrears at the beginning of the year and current Levies for General, Education and Local Improvement Special Rates) were collected as at December 31st of that year, compared with 87% at the end of the previous year. The "peak" amount of arrears, it will be observed, was \$12,065,416 as at the end of 1933 and represented 25.9% of the Current Levy and Arrears payable. Since that date a consistent annual improvement has been experienced, with the result that arrears at the end of 1941 amounted to only \$3,894,206, or 10.4% of the Current Levy and Arrears due, the lowest percentage in the past 35 years. The expression of **total** collections as a percentage of the Current year's Tax Levy **only**, serves as an index of the taxpayers' ability, generally, to meet the taxes imposed for the respective year's current expenditure and it is, therefore, reassuring to observe that during the period 1934-1941, inclusive, such annual percentage has exceeded 100%.

COMPARATIVE COLLECTION OF TAXES 1931-1941

Year	Arrears January 1st	Current Levy (Including Special Rates)	Total of Arrears and Current Levy	Total Collected or Credited to December 31st Each Year			Total of All Taxes Outstand- ing December 31st Each Year	
				Amount	% of Current Levy Only	% of Current and Arrears	Amount	% of Current and Arrears
	\$	\$	\$	\$	%	%	\$	%
1931	6,518,842	36,820,958	43,339,800	35,305,442	95.9	81.5	8,034,358	18.5
1932	8,034,358	37,522,157	45,556,515	35,422,349	94.4	77.8	10,134,166	22.2
1933	10,134,166	36,378,545	46,512,711	34,447,295	94.7	74.1	12,065,416	25.9
1934	12,065,416	34,903,843	46,969,259	35,505,534	101.7	75.6	11,463,725	24.4
1935	11,463,725	35,521,338	46,985,063	36,936,674	104.0	78.6	10,048,389	21.4
1936	10,048,389	34,618,721	44,667,110	35,782,906	103.4	80.1	8,884,204	19.9
1937	8,884,204	35,215,926	44,100,130	36,331,653	103.2	82.4	7,768,477	17.6
1938	7,768,477	35,269,096	43,037,573	36,095,074	102.3	83.9	6,942,499	16.1
1939	6,942,499	33,846,017	40,788,516	34,777,581	102.8	85.3	6,010,935	14.7
1940	6,010,935	33,688,004	39,698,939	34,530,372	102.5	87.0	5,168,567	13.0
1941	5,168,567	32,375,127	37,543,694	33,649,488	103.9	89.6	3,894,206	10.4

Debenture Debt (See Statements—Pages 26 and 31)

New debentures issued in 1941 amounted to only \$231,456, which were sold to the Sinking Fund and consisted of \$150,000 for the new Ferry Boat "Sam McBride" and \$81,456 for Local Improvements. Debentures maturing in the year to the extent of \$10,610,162 were redeemed, or provided for if not presented for payment, and \$1,549,315 debenture debt was redeemed before maturity with the respective 3% Sinking Fund accumulations, additional earnings over 3% requirements and with unrequired capital funds.

Gross Debenture debt as at December 31st, 1941, amounted to \$120,985,432 and compares with a "peak" debt of \$195,064,861 at the end of 1932, or after deduction of accumulated Sinking Funds, the total net debt amounted to \$97,697,686 against \$172,000,062 in 1932.

Due to debenture financing in 1932, particularly for the City's share of the cost of Local Improvements (including University Avenue Extension, Church Street Extension and Davenport Road Widening, all authorized in 1930) and in 1933 and 1934 chiefly for Unemployment Relief, the Net General and Education Debt did not reach its "peak" until December 31st, 1934. Since that date, however, such net debt has been reduced from \$73,172,223 to \$47,304,198.

As compared with 1931 it is interesting to note, that whereas population has increased 4.55% and assessment has decreased 9.58% (including decrease due to loss of privilege to assess personal income) Gross Debenture Debt has decreased 35.66%, Net Debt 40.82% and Net General and Education Debt 29.66%.

Debenture Debt (Continued)

While, of course, these reductions in Debt result largely from the payment of debt at maturity dates in accordance with previously executed contracts and from the redemption of debt **before maturity**, the City Administration must be commended for their recognition of the necessity of limiting Capital authorizations to the most essential works, as evidenced in the following statement.

CAPITAL AUTHORIZATIONS 1930-1942 AFFECTING GENERAL TAXATION					
(Exclusive of Toronto Hydro-Electric System, Toronto Transportation Commission and Ratepayers' Share of Local Improvements)					
Year	General Works	Schools	Unemployment Relief		Total
	City's Share Local Improve-ments, Bridges, Parks, etc.		City's Share of Relief Works and Services	City's Share of Direct Relief—Expenditure Funded (See Page 30)	
1930	\$ 8,922,992	\$2,179,434	\$1,257,424	.....	\$12,359,850
1931	3,985,067	1,357,500	866,116	.....	6,208,683
1932	1,351,975	177,958	.....	.....	1,529,933
1933	190,735	.....	940,524	\$ 2,400,791	3,532,050
1934	255,904	395,000	2,199,819	2,844,412	5,695,135
1935	550,641	92,000	.....	3,193,487	3,836,128
1936	743,047	35,000	.....	2,183,552	2,961,599
1937	(a) 1,312,239	.....	.....	1,435,561	2,747,800
1938	321,750	479,000	.....	1,603,856	2,404,606
1939	456,855	283,000	.....	1,218,277	1,958,132
1940	(b) 5,825,000	.....	.....	(c) 269,295	6,094,295
1941	242,949	.....	.....	.....	242,949
1942	170,963	.....	.....	.....	170,963
Total	\$24,330,117	\$4,998,892	\$5,263,883	\$15,149,231	\$49,742,123

(a) Includes \$986,779 City's Cost of Airports at Toronto Island and Malton (see Page 39).

(b) Includes \$5,600,000 for New Main Sewage Treatment Plant and Appurtenances approved by direct vote of City property-owners on January 1st, 1940.

(c) Includes \$19,295 not yet funded.

Sinking Fund (See Statements—Pages 26 and 32)

Of the total debenture debt as at December 31st, 1941, unmatured debentures issued under the Sinking Fund plan amounted to \$31,010,393 and Serial Instalment debenture debt amounted to \$89,975,039. Against the Sinking Fund debt of \$31,010,393, the Sinking Fund accumulation of annual levies received from tax revenues and special services revenue (including Toronto Hydro-Electric System, Toronto Transportation Commission, etc.) with interest amounted to \$23,287,746. This accumulation is \$69,822 over the actuarial amount required on the basic interest rate of 3% per annum and is after the application of \$232,163 excess earnings, in the redemption in 1941 of \$1,549,315 debentures before their

Sinking Fund (Continued)

respective maturities. While there has been a gradual reduction in the average interest earning rate on Sinking Fund Investments, due to lower market yields obtainable during the past eight or nine years, on the investment of new funds and on the reinvestment of funds derived from matured investments, such rate is still approximately 1% above the 3% basic rate.

The following statement indicates the very high-grade securities held against the funds invested:

Security	Par Amount Held	% of Whole	Sinking Fund Book Value	% of Whole
City of Toronto Bonds.....	\$19,537,341	88.6%	\$20,276,108	88.9%
British War Loan.....	472,066	2.1%	451,853	2.0%
Dominion of Canada—				
Second War Loan.....	100,000	7.3%	98,844	7.0%
First Victory Loan.....	1,500,000		1,500,660	
Province of Ontario Bonds.....	216,500	1.0%	240,045	1.1%
Province of Quebec Bonds.....	230,000	1.0%	228,661	1.0%
Total Investments.....	\$22,055,907	100%	\$22,796,171	100%

From the above, it will be observed that the Sinking Fund held as at December 31st, 1941, \$100,000 Dominion of Canada Second War Loan Bonds and \$1,500,000 of the First Victory Loan. In addition, however, the City has since invested Sinking Fund monies available in 1942 in the purchase of \$1,500,000 of the Second Victory Loan, with the result, that the Fund now holds \$3,100,000 of Canada's debenture issues for war financing.

Debenture Debt Redeemed before Maturity (See Statement—Page 33)

It is usually considered, that a debtor who consistently pays his debts on the due dates merits a very creditable rating. The City of Toronto, however, in addition to meeting all its maturing obligations, has since 1919 redeemed \$37,464,332 debenture debt **before maturity**, through purchase into the Sinking Fund and subsequent cancellation of such debt, by the application of the additional earnings of the Fund over actuarial requirements, together with the respective actuarial accumulations and unrequired capital funds.

The policy of debt redemption before maturity, by the use of excess Sinking Fund earnings and unrequired capital funds, shows a proper regard for the rights of future, as well as present taxpayers, and in 1941 alone debt charges affecting taxation were \$1,315,237 less, than would otherwise have been required but for such redemptions. In addition, debt charges incidental to City of Toronto debentures issued for the purposes of the Toronto Hydro-Electric System and the Toronto Transportation Commission were similarly reduced to the extent of \$419,948 in 1941.

Estimated Future Debt Charges

The following estimates of annual debt charges to be met by taxation 1942-1951 are incidental to existing debenture debt and to future debenture financing of **present** unfunded capital commitments. Actual debt charges in each of these years will, of course, differ by reductions due to any deferment in the funding of present unfunded capital commitments, by savings due to future debt redemptions before maturity and by increases due to any additional capital authorizations.

ESTIMATED DEBT CHARGES AFFECTING TAXATION
(INCLUDING CITY AND BOARD OF EDUCATION) 1942-1951

(Exclusive of Toronto Hydro-Electric System, Toronto Transportation Commission, and Ratepayers' Share of Local Improvements)

Year	Estimated Principal and Interest Charges incidental to			Total Estimated Debt Charges	Decrease From Previous Year's Estimate
	Existing Debt	Capital Commitments Except New Main Sewage Treatment Plant	New Main Sewage Treatment Plant		
1942	\$10,402,132	\$ 5,845	\$ 1,250	\$10,409,227	\$ (a) 935,903
1943	9,089,000	137,873	127,074	9,353,947	1,055,280
1944	8,640,000	131,211	227,898	8,999,109	354,838
1945	7,928,000	147,347	321,721	8,397,068	602,041
1946	7,309,000	147,347	376,408	7,832,755	564,313
1947	6,906,000	147,347	376,408	7,429,755	403,000
1948	6,344,000	69,187	376,408	6,789,595	640,160
1949	5,466,000	57,887	376,408	5,900,295	889,300
1950	4,825,000	57,887	376,408	5,259,295	641,000
1951	4,377,000	57,887	376,408	4,811,295	448,000

(a) Estimated reduction in 1942 below actual 1941 Debt Charges.

NOTE: The above estimated debt charges do **not** include provision for any future Capital authorizations.

Conclusion

The foregoing has been devoted largely to an analysis of the extent to which the City Administration, with the co-operation of the various outside Boards and of the taxpayers generally, met the very difficult financial problems during the period of the economic depression. Those problems of unemployment relief, of large reductions in aggregate assessments and of reduced taxpaying ability generally, have now been replaced by a new set of difficulties as a result of the war. Although we are well into the third year of war, it is only now that the taxpayers generally are feeling the real financial weight of Canada's large war expenditures. The magnitude of the economic and financial problems to be met in the future, by the people of the Dominion as a whole, is unpredictable. While past policies of the Civic Administration have lightened the future obligations of City taxpayers, the present and prospective financial burdens of the war undoubtedly indicate the advisability of continuing a strict vigilance as to all current and capital expenditures of the City. From a national viewpoint, a judicious financial policy now for the City taxpayers, obviating to the fullest possible extent future debenture and other financial obligations, and maintaining the high credit standing now enjoyed by the City, will contribute both to Canada's war effort and also to the City's ability to assist in alleviating post-war economic problems.

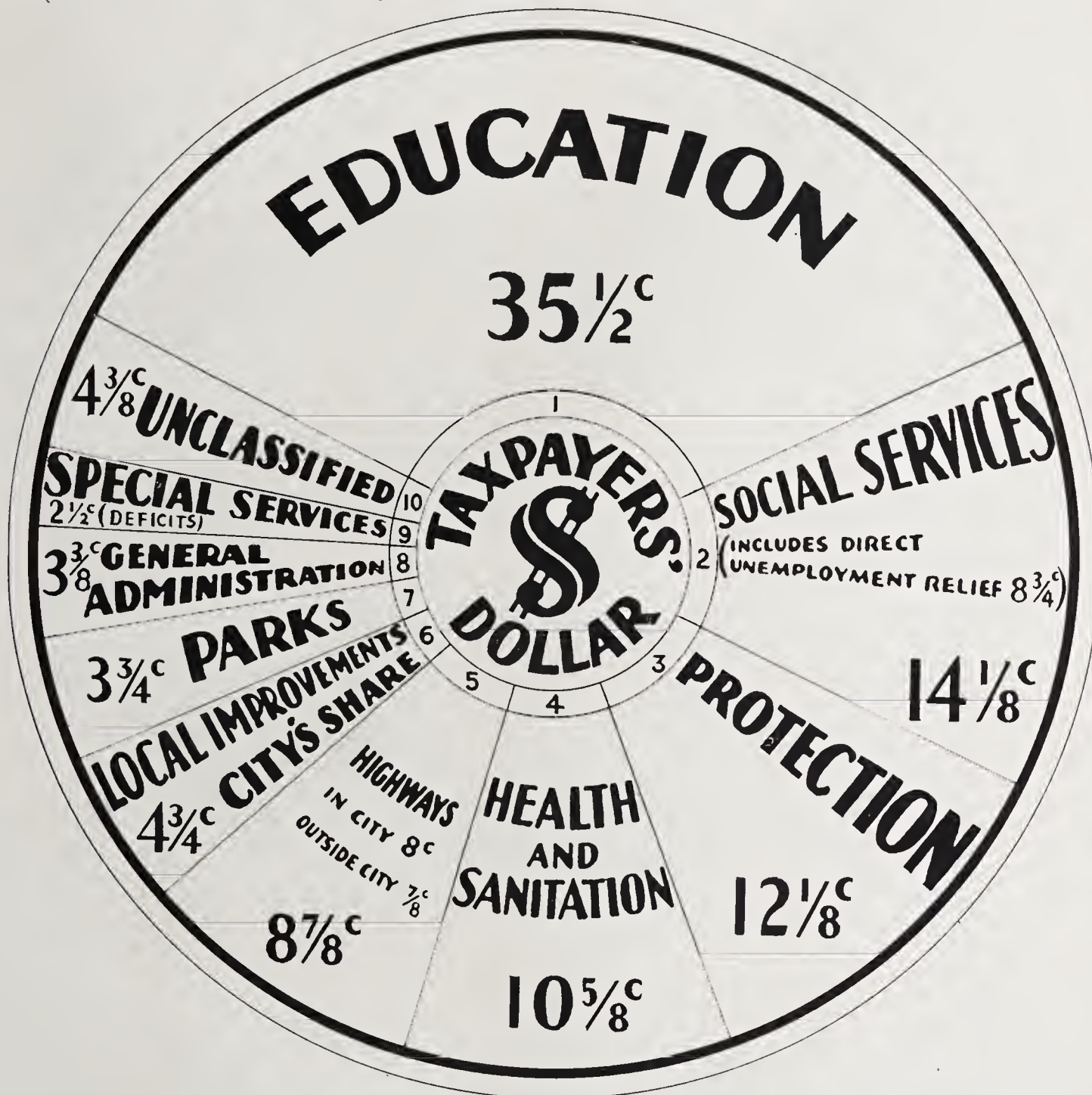
Respectfully submitted,



Commissioner of Finance.

How each \$1.00 of Revenue from General Taxation was Expended in 1941

(Exclusive of Amount Raised by Taxation for Owners' Portion of Cost of Local Improvements)



EXPENDITURE OF THE TAXPAYERS' DOLLAR, 1941

(Covering Maintenance and Debt Charges)

(1) Education	Public, Separate, High, Commercial and Technical Schools.....	\$0.35½
(2) Social Services ..	Direct Unemployment Relief (8⅜c.), Charitable and Institutional Grants, Hospitalization, etc.....	.14⅛
(3) Protection.....	Police, Fire, Registry Office, Life Saving, Safety of Buildings.....	.12⅛
(4) Health and Sanitation.....	Public Health Services, Isolation Hospital, Street Cleaning, Collection and Disposal of Garbage, Sewers, etc.....	.10⅝
(5) Highways.....	Roadways, Bridges, Subways, Viaduct, Public Lighting and Suburban Roads....	.08⅞
(6) Local Improvements, City's Share.....	Debt Charges only.	.04¾
(7) Parks and Recreation.....	Maintenance and Debt Charges re Parks ..	.03¾
(8) General Administration	City Council; Assessment, Audit, City Clerk's, Law, Planning, Treasury, Property (General, City Hall and Stewart Buildings) Departments, etc.....	.03⅜
(9) Special Services (Deficits).....	Harbour Commissioners re Guaranteed Debt (1¾c.), Exhibition, Royal Winter Fair, Island Ferry Service and Civic Airports	.02½
(10) Unclassified.....	Cost of Foreign Exchange, Libraries, Interest, etc., and sundry unclassified debt charges.....	.04⅜
		\$1.00

Balance Sheet of the CITY OF

<u>ASSETS</u>		
<u>CURRENT:</u>		
Cash in Banks and on hand.....	\$ 358,943.18	
Taxes due and unpaid.....	3,894,206.15	
Accounts Receivable.....	1,174,422.77	
Stores on hand.....	447,773.41	
*Properties for re-sale—General and Local Improve- ment surplus lands.....	1,488,272.89	
Lands Acquired at Tax Sales less reserve.....	403,984.72	
Revenue accrued.....	676,638.33	
Prepaid Charges.....	74,118.31	
Total Current Assets.....		\$ 8,518,359.76
<u>CAPITAL:</u>		
†Capital expenditure less amounts written off to extent of debentures redeemed.....	112,873,056.93	
Local Improvements:		
Cost assessed against property owners.....	\$3,447,789.43	
Corporation's Share.....	6,075,971.73	
Cost not yet distributed.....	85,523.73	
	9,609,284.89	
Investments, being City of Toronto Debentures and other Securities at book value:		
J. D. O'Connell Picnic Trust Fund....	\$ 7,202.66	
Consumers' Gas Co. Stock.....	20,250.00	
Henry C. Stevens Trust Fund.....	12,695.86	
	40,148.52	
Total Capital Assets.....		122,522,490.34
Total Assets.....		\$131,040,850.10

* Lands purchased on account of street extensions and widenings and other public works in excess of actual requirements for such projects and not included in the capitalized cost thereof.

† Land, parks, buildings, waterworks, schools, Toronto Hydro-Electric System, Toronto Transportation System, Abattoir; general highway, sewerage, and waterfront improvements; hospital building grants, outside highways and direct unemployment relief.

AUDITOR'S

I have completed the audit of the general books and accounts of the Corporation of the City of in my opinion, the attached balance sheet, as prepared by the City Treasurer, is drawn up properly so as to the best of my information and the explanations given to me.

I have verified by examination the securities representing the investments of the Sinking Fund, securities of the trust accounts and sundry general investments. I have verified the cash funds in the Real Estate, Plant and Equipment and other capital assets, except those which are covered by balance sheet.

The City Treasurer holds securities not shown in the balance sheet belonging to the Firemen's contractors as guarantee with a par value of \$20,100.00.

The transactions of the Corporation which have come under my notice are, in my opinion, within Towards the end of the year, I sent letters for verification to taxpayers representing 45,110 assessments I have not checked the tax rolls completely but I have maintained a continuous examination of the system Audit Department, May 5th, 1942.

TORONTO as of December 31st, 1941

<u>LIABILITIES</u>		
<u>CURRENT:</u>		
Interest on debenture debt:		
Due January 1st, 1942, and ma-		
tured unrepresented coupons.....	\$ 886,621.20	
Reserve for accruals and advance		
collection on ratepayers' share		
of local improvements.....	916,866.50	
		\$ 1,803,487.70
Accounts Payable.....		1,653,318.85
Temporary Bank Loans.....		2,035,356.46
Trust Funds.....		38,531.46
Unearned Revenue.....		441,079.02
Reserve for Uncollectible Taxes.....		705,658.92
Reserve for Exchange.....		37,000.00
Current Surplus—Available for Appropriation.....		645,126.74
Total Current Liabilities.....		\$ 7,359,559.15
<u>CAPITAL:</u>		
Debenture Debt.....	\$121,083,031.48	
Less: Sinking Fund on hand.....	23,287,745.93	
		97,795,285.55
Treasury Notes—B.L. 14843.....		60,000.00
Toronto Harbour Commissioners—re reclamation		
improvements.....		1,042,093.05
County of York—re interest in Court House.....		84,000.00
Reserves:		
Sinking Fund Reserve.....	\$ 23,287,745.93	
Instalment Debt Redemption		
Reserve.....	1,016,936.07	
Sundry Reserves.....	395,230.35	24,699,912.35
Total Capital Liabilities.....		123,681,290.95
Total Liabilities.....		\$131,040,850.10

Contingent liabilities, not included above, amounting to \$21,854,000.00 represent bonds of the Toronto Harbour Commissioners (\$21,349,000.00) and Toronto Housing Company, (\$505,000.00) which have been guaranteed by the City.

G. A. LASCELLES,
Commissioner of Finance and City Treasurer.

CERTIFICATE

Toronto as kept by the City Treasurer for the year ended 31st December, 1941, and hereby certify that, to disclose the financial position of the Corporation as at that date, as shown by the books and according

except those held in London, England, for which I have received a certificate from the bank, and also the control of the officers of the Corporation.

existing debenture or other capital debt and except properties held for resale, are not included in the

Widows' and Orphans' Permanent Relief Fund with a book value of \$99,900.88 and others deposited by

the powers of the Corporation.

on which taxes were shown on the rolls as being unpaid. No serious differences were reported to me. of internal check in the Tax Office and have made a test audit of the cash transactions.

S. C. SCOTT, C.A., City Auditor.

CONDENSED STATEMENT OF REVENUE AND EXPENSE
For the Year Ended December 31st, 1941

Expenditure		Revenue	
General Expense.....	\$26,019,691.37	Taxation and General Revenue.....	\$37,898,976.31
Debt Charges:		Surplus brought forward from 1940.....	110,971.52
Interest.....	\$ 5,887,313.47		
Serial Debenture payments.....	10,216,911.39		
Sinking Fund payments.....	490,005.75		
	\$16,594,230.61		
Less:			
*Charges met by Special Services not affecting general taxation.....	5,249,100.89		
	11,345,129.72		
Surplus—1941.....	645,126.74		
	\$38,009,947.83		\$38,009,947.83

Audited and approved,
S. C. SCOTT, C.A.,
City Auditor.

G. A. LASCELLES,
Commissioner of Finance,
and City Treasurer.

* Toronto Transportation Commission, Toronto Hydro-Electric System and Ratepayers' Share of Local Improvements.

CITY OF TORONTO
COMPARATIVE STATEMENT OF CURRENT EXPENDITURES 1929-1941—Classified by Services

(See Page 22 for Classification by Departments)

Item No.	Service		1929	1931	1933	1935	1937	1939	1940	1941	Increase or Decrease, 1941, compared with 1929				Item No.
											Maintenance, etc.		Debt Charges		
											Increase	Decrease	Increase	Decrease	
1.	General Administration <i>City Council; Assessment, Audit, City Clerk's, Law, Planning and Treasury Departments, etc.</i>	Maintenance, etc. Debt Charges	\$ 1,475,808 44,580	\$ 1,581,919	\$ 1,402,002 14,969	\$ 1,466,338 15,323	\$ 1,461,687 15,621	\$ 1,382,530 14,851	\$ 1,362,849 15,425	\$ 1,364,937 14,985			\$ 110,871	\$ 29,595	1.
2.	Health <i>Public Health Services, Isolation Hospital, etc.</i>	Maintenance, etc. Debt Charges	857,539 42,252	980,802 42,513	835,449 41,638	872,728 41,610	933,511 41,360	909,736 40,274	837,019 38,974	860,489 38,493	2,950				2.
3.	Highways (except Local Improvements) <i>Roadways, Bridges, etc.</i>	Maintenance, etc. Debt Charges	1,889,832 1,272,597	2,200,205 1,540,920	1,263,279 1,211,582	1,330,799 1,278,828	1,349,556 1,445,825	1,315,785 1,488,024	1,356,423 1,379,770	1,356,272 1,500,661		523,560		228,064	3.
4.	Parks and Recreation	Maintenance, etc. Debt Charges	1,292,246 504,545	1,430,509 541,376	1,001,036 499,171	1,020,072 532,155	1,074,570 568,251	944,432 564,887	891,720 564,264	832,895 546,294		459,351		41,749	4.
5.	Protection:—(a) Police, Fire, etc. <i>(b) Water Supply Fire Protection (basis altered 1938)</i>	Maintenance, etc. Debt Charges	4,757,598 123,967	5,029,675 134,631	4,656,038 162,569	4,665,124 172,623	4,742,510 171,722	4,855,352 165,755	4,688,015 165,386	4,696,403 162,188		61,195		38,221	5.
		Maintenance, etc.	992,800	992,800	992,800	992,800	992,800	162,000	159,820	161,280		831,520			
6.	Sanitation and Drainage (except Local Improvements) <i>Street Cleaning, Collection and Disposal of Garbage, Sewers, etc.</i>	Maintenance, etc. Debt Charges	2,241,450 595,082	2,500,876 644,588	1,985,389 715,324	2,018,447 808,916	2,076,627 805,937	2,054,885 797,141	2,014,771 805,108	2,020,984 803,478		220,466		208,396	6.
7.	Social Services:—(a) Direct Unemployment Relief <i>(b) Hospitalization, Old Age Pensions, Mothers' Allowances, Charitable Grants, etc. (See Note below)</i>	Maintenance, etc. Debt Charges	122,121	849,391	(All Funded) 12,239		408,924 982,046	974,392 1,970,053	969,453 2,572,019	921,007 1,939,861	655,324 2,129,617	533,203		2,129,617	7.
		Maintenance, etc.	1,883,194	2,668,735	2,681,982	2,953,791	2,366,841	1,798,095	1,734,800	1,657,222		225,972		46,712	
		Debt Charges	115,503	112,003	112,892	114,143	145,722	150,220	157,066	162,615					
8.	Local Improvements—City's Share	Maintenance, etc. Debt Charges	1,179,350 166,542	1,899,883 101,365	2,376,774 92,275	2,095,187 104,060	1,969,487 104,060	1,863,838 128,577	1,703,824 125,885	1,548,573 99,510		33,908		369,223	8.
9.	Miscellaneous <i>Cost of Foreign Exchange, Interest, etc.</i>	Maintenance, etc. Debt Charges	634,747 166,542	1,501,122 101,365	860,291 92,275	483,527 104,060	432,230 128,577	506,979 129,785	824,121 125,885	668,655 99,510	33,908			67,032	9.
10.	Libraries	Maintenance, etc. Debt Charges	405,114 30,423	507,225 38,176	467,933 52,231	466,745 55,319	477,140 54,041	467,698 52,568	475,744 43,896	475,923 45,396	70,809			14,973	10.
11.	Education—Public, Separate, High, Commercial and Technical Schools	Maintenance, etc. Debt Charges	6,413,861 1,632,971	9,311,662 1,819,483	9,106,161 1,917,901	8,971,357 1,905,444	9,440,580 1,906,416	9,370,653 1,884,768	9,235,659 1,873,366	9,135,360 1,904,743	721,499			271,772	11.
	TOTAL COMMON WELFARE	Maintenance, etc. Debt Charges	24,866,310 5,708,212	29,554,921 6,914,938	25,252,360 7,209,585	25,650,652 8,105,654	26,322,444 9,223,012	24,737,598 9,724,130	24,501,948 8,812,825	23,895,744 8,859,583		1,070,568 Net Decrease	Net Increase 3,248,341		
12.	Public Service Enterprises and Special Services: Abattoir	Maintenance, etc. Debt Charges	106,966 18,748	105,343 18,748	108,294 18,748	104,651 19,679	96,111 19,055	95,503 17,853	93,753 17,866	95,930 16,935		11,036		1,813	12.
13.	Airports	Maintenance, etc. Debt Charges						9,956 33,953	13,499 36,085	67,930			67,930		13.
14.	Canadian National Exhibition Buildings	Maintenance, etc. Debt Charges	115,973 214,137	128,347 282,831	268,730 325,017	95,021 319,710	98,435 322,039	94,032 269,552	78,366 260,413	76,917 255,620		39,056		41,483	14.
15.	Housing Commission	Debt Charges	39,914	35,009	27,946	21,862	15,612	7,964	3,450					39,914	15.
16.	Island Ferry Service	Maintenance, etc. Debt Charges	50,066 25,470	4,960 25,790	11,612 24,938	20,910 24,987	22,052 8,948	18,142 9,558	43,308 9,558	12,508 26,646		37,558		1,176	16.
17.	Radial Railways (in liquidation)	Maintenance, etc. Debt Charges	71,215 269,279	271,354	223,104	218,379	220,040	219,199	209,644			71,215		269,279	17.
18.	Royal Agricultural Winter Fair Buildings	Maintenance, etc. Debt Charges	29,940 155,122	15,586 155,250	17,527 155,038	12,623 155,487	13,250 155,508	10,818 153,093	6,318 154,718	2,390 155,220		27,550		98	18.
19.	Toronto Harbour Commissioners <i>Debt Charges paid by City re Guaranteed Debt.</i>	Maintenance, etc.	666,405	1,166,252	1,357,601	1,126,920	828,526	693,781	559,920	529,628		156,777			19.
20.	Waterworks	Maintenance, etc. Debt Charges	1,556,756 1,204,973	1,537,495 1,696,560	1,346,265 1,696,560	1,337,098 1,846,490	1,412,074 1,823,122	1,371,285 1,800,698	1,386,768 1,789,208	1,406,574 1,866,226		150,182		661,253	20.
	TOTAL MAINTENANCE, ETC.		27,583,631	32,562,904	28,302,383	28,347,875	28,752,892	27,031,115	26,683,898	26,019,691		1,563,940 Net Increase	Net Increase \$2,145,335		
	TOTAL DEBT CHARGES		7,635,855	9,081,983	9,680,916	10,712,248	11,787,336	12,238,000	11,293,557	11,345,130			Net Decrease 3,709,275		
	TOTAL CURRENT EXPENDITURES (Including Debt Charges)		\$35,219,486	\$41,644,887	\$37,983,305	\$39,060,123	\$40,540,228	\$39,269,115	\$37,977,455	\$37,364,821		Total Net Increase..	\$2,145,335		

NOTE: Social Services: (b) Cost of Old Age Pensions and Mothers' Allowances assumed by Ontario Government from April 1st, 1937 and Hospital Care of Tuberculosis Patients from July 1st, 1938.

CITY OF TORONTO

(See Page 21 for Classification by Services)

COMPARATIVE STATEMENT OF CURRENT EXPENDITURES - (Exclusive of Debt Charges), 1929-1941—Classified by Departments

Item No.	Departments	1929	1931	1933	1935	1937	1939	1940	1941	Increase or Decrease 1941 compared with 1929		Item No.	
										Increase	Decrease		
	Maintenance, Etc.:												
	Administrative Departments—												
1.	Assessment	\$ 291,114	\$ 319,712	\$ 285,033	\$ 271,090	\$ 276,894	\$ 267,588	\$ 242,785	\$ 243,274	\$	\$ 47,840	1.	
2.	Audit	98,707	110,300	100,634	105,033	109,531	111,495	108,438	105,033	6,326		2.	
3.	City Clerk	176,408	164,362	166,873	150,266	153,350	146,077	141,876	138,399		38,009	3.	
4.	City Council—General (Includes Grants). War Protection Measures	308,728	315,323	144,551	193,153	189,336	173,325	159,531	180,074		128,654	4.	
							122,004	50,648	3,575	3,575			
5.	City Planning and Surveying	25,359	57,671	49,958	50,618	53,571	52,704	52,376	49,848	24,489		5.	
6.	Law (Includes Claims Commission)	96,328	96,385	90,355	102,140	82,815	76,216	87,109	92,509		3,819	6.	
7.	Treasury (Includes Waterworks Revenue Branch)	476,159	506,847	438,141	453,573	477,176	450,226	437,229	422,745		53,414	7.	
	Operating Departments—												
8.	Abattoir	106,966	105,343	108,294	104,651	96,111	93,110	91,257	95,929		11,037	8.	
9.	Buildings	149,206	167,311	113,318	126,008	131,902	126,142	123,665	131,929		17,277	9.	
10.	Fire—General	1,490,410	1,650,411	1,580,490	1,555,657	1,563,420	1,541,746	1,516,717	1,536,295	45,885		10.	
	Water Supply Fire Protection (basis altered 1938)	992,800	992,800	992,800	992,800	992,800	162,000	159,820	161,280		831,520		
11.	Health	917,999	967,702	820,434	875,823	913,311	885,204	811,879	835,081		82,918	11.	
12.	Parks (Includes Maintenance Buildings and Grounds of C.N.E. and R.A.W. Fair)	1,431,807	1,565,167	1,215,909	1,114,803	1,171,467	1,035,390	958,763	897,070		534,737	12.	
13.	Police	2,489,027	2,512,142	2,283,683	2,295,684	2,318,552	2,358,554	2,360,431	2,377,215		111,812	13.	
14.	Property	1,242,158	1,314,400	1,180,323	1,171,430	1,141,704	1,032,157	950,212	928,182		313,976	14.	
15.	Street Cleaning	2,229,557	2,528,568	1,683,759	1,710,022	1,736,591	1,747,322	1,795,621	1,882,884		346,673	15.	
16.	Welfare (Dept. established in 1931)— (a) General (Includes Grants) (b) Direct Unemployment Relief (See Note below) (c) Statutory—Hospitalization, Old Age Pensions, Mothers' Allowances, Children's Aid, etc. (See Note below)	347,249 122,121	441,400 849,391	493,041 (All Funded)	482,747 408,924	413,203 974,392	468,018 969,453	444,515 921,007	430,148 655,324	82,899 533,203			16.
17.	Works (Includes Waterworks Operation)	1,312,632 2,497,888	1,971,134 2,691,207	2,135,573 2,117,914	2,344,487 2,080,979	1,785,788 2,113,468	1,277,389 2,020,407	1,262,069 1,994,076	1,203,810 2,032,250		108,822 465,638	17.	
	TOTAL—ADMINISTRATIVE AND OPERATING DEPARTMENTS	\$16,802,623	\$19,327,576	\$16,061,083	\$16,589,888	\$16,695,382	\$15,116,527	\$14,670,024	\$14,402,854		\$2,399,769 Net Decrease		
	Miscellaneous:												
18.	Exchange—Net Cost of New York and London Funds	43,232	1,030,422	352,046	53,445	49,448	122,479	398,215	348,125	304,893		18.	
19.	Harbour Commissioners—Debt Charges re Guaranteed Debt	686,405	1,166,252	1,357,601	1,126,920	828,526	693,781	559,920	529,628		156,777	19.	
20.	Libraries	405,114	507,225	467,933	466,745	477,140	467,698	475,744	475,923	70,809		20.	
21.	Courts—General, Magistrates, etc.	228,193	256,825	224,353	238,200	252,315	242,956	238,296	254,180	25,987		21.	
22.	Sundry—Interest re temporary financing, Highways Outside City, Life Saving, etc.	1,004,203	962,942	793,212	901,320	1,049,501	1,017,021	1,106,040	873,621		130,582	22.	
	AFFECTING GENERAL TAX RATE	\$19,169,770	\$23,251,242	\$19,195,228	\$19,376,518	\$19,352,312	\$17,660,462	\$17,448,239	\$15,884,331		\$ 2,265,439 Net Decrease		
23.	Education (Includes Separate Schools)	8,413,861	9,311,662	9,106,161	8,971,357	9,440,580	9,370,653	9,235,659	9,135,360	721,499		23.	
	AFFECTING TOTAL TAX RATE	\$27,583,631	\$32,562,904	\$28,302,389	\$28,347,875	\$28,792,892	\$27,031,115	\$26,683,898	\$25,019,691		\$ 1,563,940 Net Decrease		

NOTE: Welfare Dept. (b) Amounts quoted above, 1929-1941, were all net of current expenditures. See Statement, page 30, showing City's Gross Expenditures, 1930-1941, and Net Cost to City, etc.

(c) Cost of Old Age Pensions and Mothers' Allowances assumed by Ontario Government from April 1st, 1937, and Hospital Care of Tuberculosis Patients from July 1st, 1938.

REVENUE FOR YEAR 1941

Summary Classification of Year's Revenue According to Source

Taxation—Yield from tax rates as follows, less provision for uncollectible taxes.....

\$31,062,378

	Tax Rate	Assessment
*General.....	23.15 mills	\$875,719,226
School:		
Public School Supporters.....	11.45 mills	902,470,514
Separate School Supporters.....	15.65 mills	45,171,369

Provincial Government—Subsidy of One Mill on General

Assessment.....

876,934

Common Welfare Revenue Other Than Taxation:

License, Permit and Inspection Fees.....	\$434,479	
General Rentals.....	424,179	
Administration of Justice—Police and Family Court Fees and Fines.....	381,060	
Interest and Penalties—On Overdue Taxes in excess of discount on taxes paid in advance.....	236,522	
Miscellaneous and Special Adjustments.....	156,791	
Sundry Service Fees.....	88,281	
Registry Office Revenue.....	22,154	
Mortgage Tax Revenue.....	15,995	
Audit, Official and Conveyancing Fees.....	10,347	
Dividend on Stock—Consumers' Gas Company.....	1,200	1,771,008

Revenue from Public Service Enterprises and Special Services:

<u>Municipal Abattoir</u> —Profit from sales of by-products, killing and cooler charges, cold storage fees, stock yard fees, etc.....	138,116
<u>Civic Airports</u> —Service Fees, "Malton" and Operating Surplus, "Island"	20,586
<u>Canadian National Exhibition</u> —Operating surplus received from the Association; sundry rentals; Ontario Government grant towards debt charges on Horse Palace.....	270,942
<u>Royal Agricultural Winter Fair</u> —Dominion and Ontario Government grants covering debt charges on Livestock Building and rental from C.N.E.....	82,000
<u>Waterworks System</u> —Water rates, including City Supply and sundry rentals.....	3,677,012

Total Revenue, 1941..... \$37,898,976

* Net rate after deducting Provincial Government Subsidy of one Mill on General Assessment.

COMPARATIVE STATEMENT

REVENUE AND EXPENDITURE FOR YEARS 1931-1941

Year	Tax Rate in Mills — <i>General and Board of Education</i>	Revenue (Exclusive of Reserve for Deferred Expenditure and Previous Year's Surplus, brought forward)			Expenditure (Exclusive of Reserve for Deferred Expenditure and Deficit, if any, carried forward)							
		Taxation	General Other Than Taxation	Special Services	Total Revenue	Common Welfare—Note (1)			Special Services—Note (2)			
						General	Debt Charges	Total Common Welfare Expendi- ture	General	Debt Charges	Total Special Services Expendi- ture	
1931	33.60	\$33,577,771	\$2,367,060	\$4,449,415	\$40,394,246	\$29,554,921	\$6,914,938	\$36,469,859	\$3,007,983	\$2,167,045	\$5,175,028	\$41,644,887
1932	33.90	34,095,462	1,422,346	4,543,869	40,061,677	27,868,751	7,188,790	35,057,541	3,206,998	2,272,944	5,479,942	40,537,483
1933	33.40	33,062,923	1,500,657	4,415,436	38,979,016	25,252,360	7,209,565	32,461,925	3,050,029	2,471,351	5,521,380	37,983,305
1934	33.00	32,087,629	1,755,369	4,420,254	38,263,252	25,429,973	7,511,082	32,941,055	2,723,809	2,531,223	5,255,032	38,196,087
1935	34.15	33,026,584	1,814,865	4,421,491	39,262,940	25,650,652	8,105,654	33,756,306	2,697,223	2,606,594	5,303,817	39,060,123
1936	34.85	*33,644,682	1,827,737	4,631,403	40,103,822	26,053,498	8,504,669	34,558,167	2,703,897	2,594,820	5,298,717	39,856,884
1937	35.70	†33,913,182	1,924,126	4,581,558	40,418,866	26,322,444	9,223,012	35,545,456	2,470,448	2,564,324	5,034,772	40,580,228
1938	36.05	†34,029,467	1,889,538	3,751,896	39,670,901	25,040,764	9,673,923	34,714,687	2,257,681	2,507,480	4,765,161	39,479,848
1939	34.75	†33,195,424	1,755,464	3,741,033	38,691,921	24,737,598	9,724,130	34,461,728	2,293,517	2,513,870	4,807,387	39,269,115
1940	35.15	†32,652,444	1,730,833	3,852,437	38,235,714	24,501,948	8,812,825	33,314,773	2,181,950	2,480,742	4,662,692	37,977,465
1941	34.60	†31,939,312	1,771,008	4,188,656	37,898,976	23,895,744	8,956,553	32,852,297	2,123,947	2,388,577	4,512,524	37,364,821

NOTE: (1) Common Welfare Services, viz.: Police, Fire, Health, Unemployment Relief, Hospitalization, Street Cleaning, Collection and Disposal of Garbage, Sewage System, Local Improvements (City's Share), Highways, Parks, Schools, Administration, etc.

(2) Special Services, viz.: Waterworks, Abattoir, Civic Housing, Canadian National Exhibition (Buildings), Harbour Commissioners, Island Ferries, Radial Railways, Royal Agricultural Winter Fair Building and Civic Airports.

Toronto Hydro-Electric System, Toronto Transportation System (operated by separate Commissions) and Local Improvements (Rate-payers' Share) are not included in this statement.

* 1936—Includes \$1,207,152 received from Provincial Government in lieu of Municipal Income Tax.

† Includes Provincial Government Subsidy re abolition of Municipal Income Tax in 1936.

1937—\$ 902,700—One Mill on General Assessment.

1938— 898,797—One Mill on General Assessment.

1939— 1,343,475—One and One-half Mills on General Assessment.

1940— 883,800—One Mill on General Assessment.

1941— 876,934—One Mill on General Assessment.

CAPITAL EXPENDITURES, 1941

<u>Revenue-Producing and Specially-Rated Services:</u>		
*Local Improvements (Ratepayers' Share).....	\$ 43,160	\$ 76,491
*Waterworks.....	33,331	
<u>Non-Revenue Producing Services:</u>		
Garbage Disposal—Symes Rd. Incinerator.....	42,960	270,285
Highways—City and Suburban.....	188,029	
Local Improvements (City's Share).....	14,386	
Sewage System.....	24,910	
		\$346,776

NOTE:—Total Capital Expenditure for the year does not correspond with debenture sales for the year due to the fact that funding, either at the completion or during progress of the work, may cover expenditure during the current and/or previous years.

* Wholly-self-sustaining.

STATEMENT OF DEBENTURE DEBT

December 31st, 1941

Debt Classification	Original Amount of Outstanding By-laws	Matured Instalments Retired	Redeemed on Account before Maturity	Gross Debt Dec. 31, 1941	Accumulated Sinking Fund Dec. 31, 1941	Net Debt Dec. 31, 1941
General:	\$	\$	\$	\$	\$	\$
City Buildings.....	185,000.00	60,000.00	.....	125,000.00	.....	125,000.00
Fire Protection (including High Pres- sure Water Supply).....	1,606,771.85	357,828.85	429,443.00	819,500.00	355,824.92	463,675.08
Garbage Disposal.....	899,025.05	360,443.25	71,000.00	467,581.80	.....	467,581.80
Highways—In City.....	19,012,604.00	6,564,000.00	1,174,604.00	11,274,000.00	2,251,808.94	9,022,191.06
Highways—Outside City.....	2,539,000.00	1,381,000.00	17,000.00	1,141,000.00	.....	1,141,000.00
Hospitals—Building Grants.....	2,855,335.76	537,000.00	648,335.76	1,670,000.00	652,886.68	1,017,113.32
Hospitals—Municipal.....	530,000.00	296,000.00	.....	234,000.00	.....	234,000.00
Industrial Farms.....	425,076.10	.....	127,076.10	298,000.00	212,777.49	85,222.51
Libraries—Public.....	568,000.00	293,000.00	.....	275,000.00	.....	275,000.00
Local Improvements—City's Share.....	13,417,195.04	7,340,498.41	724.90	6,075,971.73	8,145.38	6,067,826.35
Markets.....	160,712.22	.....	45,712.22	115,000.00	92,958.05	22,041.95
Miscellaneous.....	1,715,775.20	320,477.68	320,166.33	1,075,131.19	806,553.66	268,577.53
Parks and Playgrounds.....	8,978,288.52	2,134,508.97	947,761.33	5,896,018.22	1,275,481.97	4,620,536.25
Police Stations.....	492,947.00	92,000.00	11,080.34	389,866.66	139,486.02	250,380.64
Registry Office.....	433,000.00	.....	33,000.00	400,000.00	275,117.56	124,882.44
Sewage System.....	12,427,155.21	2,638,266.37	1,250,524.68	8,538,364.16	2,634,422.26	5,903,941.90
Unemployment Relief—Direct.....	6,032,000.00	3,644,000.00	.....	2,388,000.00	.....	2,388,000.00
Total.....	72,277,885.95	26,019,023.53	5,076,428.66	41,182,433.76	8,705,462.93	32,476,970.83
Additional Sinking Fund Reserve.....	.....	.....	.....	.....	11,935.40	(a) 11,935.40
Total.....	72,277,885.95	26,019,023.53	5,076,428.66	41,182,433.76	8,717,398.33	32,465,035.43

Education:						
Schools—Public.....	18,926,501.18	5,074,126.96	2,058,956.66	11,793,417.56	3,616,178.72	8,177,238.84
“ High.....	5,674,908.73	1,581,854.24	272,610.17	3,820,444.32	487,958.95	3,332,485.37
“ Commercial.....	2,312,835.00	743,194.77	38,740.23	1,530,900.00	72,537.79	1,458,362.21
“ Technical.....	4,507,257.00	1,134,000.00	369,257.00	3,004,000.00	1,132,923.76	1,871,076.24
Total.....	31,421,501.91	8,533,175.97	2,739,564.06	20,148,761.88	5,309,599.22	14,839,162.66
Total General and Education.....	103,699,387.86	34,552,199.50	7,815,992.72	61,331,195.64	14,026,997.55	47,304,198.09
Revenue-Producing and Specially-Rated Debts:						
Abattoir.....	423,296.79	5,093.33	165,608.00	252,595.46	180,103.73	72,491.73
Airports—Municipal.....	999,000.00	76,000.00	.....	923,000.00	.....	923,000.00
Can. Nat. Exhibition Bldgs.....	3,432,587.00	1,396,440.25	381,413.41	1,654,733.34	211,002.34	1,443,731.00
Island Ferry Service.....	232,000.00	39,000.00	.....	193,000.00	.....	193,000.00
Local Impvts.—Ratepayers' Share.....	9,632,573.20	6,177,052.65	.....	3,455,520.55	24,228.84	3,431,291.71
Royal Agric. Winter Fair Buildings.....	2,048,000.00	1,140,302.92	.....	907,697.08	.....	907,697.08
Toronto Hydro-Electric System.....	25,055,000.00	11,667,110.53	2,183,182.80	11,204,706.67	3,506,419.26	7,698,287.41
Toronto Transportation Commission.....	37,089,488.00	18,484,000.00	1,104,488.00	17,501,000.00	7,190.96	17,493,809.04
Waterworks.....	34,002,053.89	6,306,973.51	4,133,097.64	23,561,982.74	5,273,917.06	18,288,065.68
Total.....	112,913,998.88	45,291,973.19	7,967,789.85	59,654,235.84	9,202,862.19	50,451,373.65
Additional Sinking Fund Reserve.....	.....	.....	.....	.....	57,886.19	(a) 57,886.19
Total.....	112,913,998.88	45,291,973.19	7,967,789.85	59,654,235.84	9,260,748.38	50,393,487.46
Grand Total.....	216,613,386.74	79,844,172.69	15,783,782.57	(b)120,985,431.48	23,287,745.93	97,697,685.55
(a) Deduct.						
				(b) Sinking Fund Bonds.....		\$ 31,010,393.01
				Serial Instalment Bonds.....		89,975,038.47
						<u>\$120,985 431.48</u>

DEBT MATURITIES			
1942-1970			
Year	Sinking Fund Bonds	Serial Instalment Bonds	Total
1942	\$ 43,600	\$ 9,645,997	\$ 9,689,597
1943	*762,100	8,363,390	9,125,490
1944	2,868,733	8,230,378	11,099,111
1945	1,717,546	6,979,298	8,696,844
1946	.....	6,355,320	6,355,320
1947	.....	6,201,931	6,201,931
1948	22,399,047	6,163,786	28,562,833
1949	1,764,367	6,351,595	8,115,962
1950	.....	5,910,806	5,910,806
1951	.....	5,630,800	5,630,800
1952	.....	3,891,622	3,891,622
1953	569,000	2,617,816	3,186,816
1954	.....	2,032,100	2,032,100
1955	886,000	1,946,200	2,832,200
1956	.....	1,913,400	1,913,400
1957	.....	1,715,400	1,715,400
1958	.....	1,433,600	1,433,600
1959	.....	1,339,700	1,339,700
1960	.....	1,020,900	1,020,900
1961	.....	887,000	887,000
1962	.....	448,000	448,000
1963	.....	205,000	205,000
1964	.....	143,000	143,000
1965	.....	84,000	84,000
1966	.....	87,000	87,000
1967	.....	89,000	89,000
1968	.....	93,000	93,000
1969	.....	96,000	96,000
1970	.....	99,000	99,000
	\$ 31,010,393	\$ 89,975,039	\$120,985,432

*"Called" for redemption on January 2nd, 1942.

CITY'S BORROWING POWERS

The City's legal debt limitation (see Table No. 1 below) is prescribed by Province of Ontario Statutes and based upon the assessed value of the whole rateable property of the City against which the debt of certain exempted services (see Table No. 2 below) is deducted in calculating the City's total outstanding debt.

In 1889 a Special Act respecting the debenture debt of the City of Toronto authorized the issuance of non-exempt debentures to the extent of 12½% of the first \$100,000,000 of Assessment, and 8% of the excess thereafter.

Early in 1936, the Ontario Government abolished the Municipal Income Tax, except on incorporated companies, and substituted a Provincial Income Tax. This legislation automatically eliminated over three-quarters of the City's Municipal Income Tax Assessment and in order to compensate the City for the loss of such assessment in computing the legal debt limitation the Province of Ontario amended the Municipal Act, prescribing the City's legal debt limitation as follows:—12% of the first \$200,000,000 of Assessment and 8% of the excess thereafter.

Table 1 Statutory Borrowing Margin			
(Based on Assessment for General Purposes)			
December 31st	Legal Debt Limitation	Outstanding Debt (Excluding Exempted Debts)	Statutory Borrowing Margin
1931	\$83,643,413	\$69,630,512	\$14,012,901
1932	82,701,392	70,035,896	12,665,496
1933	80,911,019	71,028,474	9,882,545
1934	80,042,001	73,439,647	6,602,354
1935	80,675,018	72,563,236	*8,111,782
1936	80,216,034	74,980,085	5,235,949
1937	79,845,270	72,637,039	7,208,231
1938	79,640,973	70,360,713	9,280,260
1939	78,663,800	65,431,174	13,232,626
1940	78,057,538	63,994,032	14,063,506
1941	78,092,492	58,278,553	19,813,939

*After Provincial legislation enacted to offset reduction in borrowing power caused by abolition of Municipal Income Tax.

Table 2 Exempted Debt		
Purpose	Authority	Amount Dec. 31, 1941
Toronto Transportation System.....	Municipal Act, R.S.O. 1914, Sec. 257, s.s. 2.....	\$17,501,000
Toronto Hydro-Electric System.....	9 Edw. VII, Ch. 125, s. 8.....	11,204,707
Waterworks.....	52 Vic. Ch. 74, Sec. 12.....	23,561,983
Local Improvements	52 Vic. Ch. 74, Sec. 11 and Local Improvement Act, Sec. 40, s.s. 6.....	9,531,492
Royal Agric. Winter Fair Bldgs....	17 Geo. V. Ch. 134, Sec. 3.....	907,697
	Total.....	\$62,706,879

CITY OF TORONTO
DIRECT UNEMPLOYMENT RELIEF, 1930-1941

Year	Gross Direct Relief Expenditures	Dominion and Ontario Governments and Private Contributions	Net Cost to City	How Net Cost to City Financed		
				Met as Current (Including Servicing Charges)	Funded by Serial Instalment Debentures	
					Amount	Term
1930	\$ 466,100	\$ 88,530	\$ 377,570	\$ 377,570	.....	.....
1931	1,509,636	660,245	849,391	849,391	.....	.....
1932	3,018,728	2,271,973	746,755	746,755	.....	.....
1933	6,686,933	4,286,142	2,400,791	.....	\$ 2,400,791	5 yrs.
1934	8,873,090	5,688,029	3,185,061	340,649	2,844,412	5 yrs.
1935	9,983,508	6,381,097	3,602,411	408,924	3,193,487	5 yrs.
1936	8,765,054	5,625,761	3,139,293	955,741	2,183,552	5 yrs.
1937	7,194,953	4,785,000	2,409,953	974,392	1,435,561	5 yrs.
1938	7,524,514	4,949,282	2,575,232	971,376	1,603,856	4 yrs.
1939	7,289,353	5,101,623	2,187,730	969,453	600,000	4 yrs.
					618,277	3 yrs.
1940	4,891,116	3,700,814	1,190,302	921,007	(a) 269,295	2 yrs.
1941	2,265,870	1,610,546	655,324	655,324	.....	.....
	\$68,468,855	\$45,149,042	\$23,319,813	\$8,170,582	\$15,149,231	

(a) Includes \$19,295 not yet funded.

CHARGE FOR DIRECT RELIEF IN CITY TAX RATES, 1930—1941

Year	Current (Including Servicing Charges)	Debt Charges		Total Charge in Tax Rate	Effect in Tax Rate Mills
		Principal	Interest		
1930	\$ 377,570	.....	.....	\$ 377,570	.40
1931	849,391	.....	.....	849,391	.87
1932	746,755	.....	.....	746,755	.75
1933	.....	.....	\$ 12,239	12,239	.01
1934	340,649	\$ 201,000	114,818	656,467	.69
1935	408,924	800,378	181,668	1,390,970	1.47
1936	955,741	1,226,965	198,485	2,381,191	2.63
1937	974,392	1,799,000	171,053	2,944,445	3.26
1938	971,376	2,320,000	165,856	3,457,232	3.85
1939	969,453	2,442,000	130,019	3,541,472	3.95
1940	921,007	1,855,000	84,861	2,860,868	3.24
1941	655,324	2,046,000	83,617	2,784,941	3.18
	\$8,170,582	\$12,690,343	\$1,142,616	\$22,003,541	24.30

**COMPARATIVE STATISTICS OF
POPULATION, ASSESSMENT AND DEBENTURE DEBT, 1931-1941**

Year	Popula- tion	Total Assessment		Total Gross Debt		(2) Total Net Debt		(3) Net General and Education Debt	
	Number	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita
1931	627,231	\$1,048,377,649	\$1,671	\$188,039,040	\$299.79	\$165,072,053	\$263.18	\$67,251,485	\$107.22
1932	626,674	1,061,652,753	1,694	195,064,861	311.27	172,000,062	274.46	72,070,203	115.00
1933	623,562	1,048,279,655	1,681	191,487,601	307.09	168,019,344	269.45	72,371,922	116.06
1934	629,285	1,026,062,674	1,631	188,547,562	299.62	163,896,196	260.45	73,172,223	116.28
1935	638,271	1,018,607,472	1,596	180,683,302	283.08	154,887,143	242.67	70,566,477	110.56
1936	645,462	(1) 977,127,178	1,514	176,066,410	272.78	149,716,860	231.95	71,371,055	110.57
1937	648,309	973,734,167	1,502	167,425,349	258.25	139,686,541	215.46	67,544,938	104.19
1938	647,803	970,032,667	1,497	158,556,185	244.76	129,560,246	200.00	63,764,868	98.43
1939	649,123	968,036,602	1,491	147,434,575	227.13	116,354,424	179.25	56,436,971	86.94
1940	648,098	955,390,179	1,474	132,913,453	205.08	109,780,968	169.39	53,896,085	83.16
1941	655,751	947,947,682	1,446	120,985,432	184.50	97,697,686	148.99	47,304,198	72.14
1931-41	Increase 4.55%	Decrease 9.58%	Dec. 13.46%	Decrease 35.66%	Dec. 38.46%	Decrease 40.82%	Dec. 43.39%	Decrease 29.66%	Dec. 32.72%

(1) The large reduction in Assessment in 1936 is accounted for as follows:

Due to abolition of Municipal Income Tax.....	\$35,269,406
Due to general conditions.....	6,210,888
Total Reduction in 1936.....	\$41,480,294

(2) Total Net Debt is computed by deducting all Sinking Funds from Total Gross Debt.

(3) Net General and Education Debt is computed by deducting from Total Gross Debt
(a) The net debt of Specially-rated and Revenue-producing Services and (b) All Sinking Funds (see page 6).

STATEMENT OF OPERATIONS OF SINKING FUND

For Year Ended December 31st, 1941—(See Text Page 14)

Particulars	Total Sinking Fund	Actuarial Sinking Fund	Additional Sinking Fund (over Actu- arial Re- quirements)
Balance at December 31st, 1940.....	\$23,132,484.34	\$23,092,098.66	\$ 40,385.68
Add—Accretions during year:			
Annual levies.....	490,005.75	490,005.75	.....
Earnings on investments.....	963,120.85	701,522.24	261,598.61
Total Accretions	1,453,126.60	1,191,527.99	261,598.61
Total	\$24,585,610.94	\$24,283,626.65	\$301,984.29
Deduct—Dispositions during year:			
Debentures redeemed before maturity.....	\$1,549,314.66		
Premium.....	22,935.86		
	\$1,572,250.52		
Less: Unexpended Capital Balances, etc.....	274,385.51	1,065,702.31	232,162.70
Balance at December 31st, 1941.....	\$23,287,745.93	\$23,217,924.34	\$ 69,821.59

BALANCE SHEET OF SINKING FUND AS AT DECEMBER 31st, 1941

Assets		Liabilities	
Debentures:		Accumulated Sinking Fund, actuarially determined to redeem at maturity the City's entire Sinking Fund Debt.....	\$23,217,924.34
City of Toronto.....	\$20,276,107.71		
British War Loan.....	451,853.46		
Dominion of Canada.....	1,599,504.00		
Province of Ontario.....	240,044.98		
Province of Quebec.....	228,661.00		
Cash in Banks.....	171,294.47	Balance: Additional Sink- ing Fund (over actuarial requirements).....	69,821.59
Accrued interest on invest- ments.....	320,280.31		
	\$23,287,745.93		\$23,287,745.93

Treasury Department,
February 18th, 1942.

G. A. LASCELLES,
City Treasurer.

I have completed the audit of the Books and Accounts of the Sinking Fund of the City of Toronto for the year ended December 31st, 1941, and certify that the attached Balance Sheet and Statement of Operations are, in my opinion, drawn up properly so as to disclose the financial position of the Fund as shown by the Books as at December 31st, 1941, and according to the best of the information and explanations given to me.

I have verified the Securities held in Toronto by inspection and the Securities held in London by certificate from the Bank, and the Bank Balances by certificate from the Bank.

Department of Audit,
May 11th, 1942.

S. C. SCOTT, C.A.,
City Auditor.

CITY DEBENTURE DEBT REDEEMED, 1919-1941, BEFORE MATURITY

Services	Debentures Redeemed before Maturity
Affecting Taxation:	
(1) Reducing General Tax Rate:	
General Services	\$18,090,104
Parks, Sewers, Bridges, Hospital Building Grants, City's Share of Local Improvements, etc.	
Revenue-Producing Services.....	7,312,419
Waterworks, Exhibition Buildings, Radials, etc.	
	\$25,402,523
(2) Reducing Board of Education Tax Rate—Schools.....	4,745,988
Reducing General and Board of Education Tax Rates.....	\$30,148,511
Not Affecting Taxation:	
Toronto Hydro-Electric System and Toronto Transportation Commission	6,395,582
Ratepayers' Share of Local Improvements (levied for).....	920,239
Total Debenture Debt Redeemed 1919-1941, before Maturity.....	\$37,464,332

NOTE: See resultant cancellation of Debt Charges in following Statement.

**DEBT CHARGES (PRINCIPAL INSTALMENTS, SINKING FUND LEVIES
AND INTEREST) CANCELLED BY REDEMPTIONS 1919-1941 OF
DEBENTURE DEBT BEFORE MATURITY**

Years Benefiting	Debt Charges Cancelled— Reducing Taxation			Debt Charges of Toronto Hydro- Electric System and Toronto Transportation Commission Cancelled	Total Debt Charges Cancelled
	Reducing General Tax Rate	Reducing Board of Education Tax Rate	Reducing Total Tax Rate		
1920-1924	\$1,069,297	\$ 21,209	\$1,090,506	\$	\$1,090,506
1925-1929	3,530,462	293,377	3,823,839	53,232	3,877,071
1930	651,339	81,075	732,414	183,752	916,166
1931	717,065	102,682	819,747	304,966	1,124,713
1932	678,207	100,987	779,194	213,647	992,841
1933	903,296	123,728	1,027,024	302,499	1,329,523
1934	916,614	128,598	1,045,212	373,506	1,418,718
1935	921,173	138,377	1,059,550	378,681	1,438,231
1936	977,483	147,032	1,124,515	418,738	1,543,253
1937	971,734	164,660	1,136,394	395,096	1,531,490
1938	961,561	174,562	1,136,123	399,968	1,536,091
1939	1,067,785	183,290	1,251,075	355,558	1,606,633
1940	1,192,227	197,107	1,389,334	404,327	1,793,661
1941	1,106,945	208,292	1,315,237	419,948	1,735,185
1942	1,097,479	243,476	1,340,955	294,605	1,635,560
1943	1,045,747	237,746	1,283,493	235,875	1,519,368
1944	832,849	225,805	1,058,654	193,044	1,251,698
1945	726,980	193,010	919,990	193,497	1,113,487
1946	687,287	161,881	849,168	204,694	1,053,862
1947	672,644	152,385	825,029	230,134	1,055,163
1948	467,750	104,312	572,062	127,017	699,079
1949	178,950	7,867	186,817	100,893	287,710
1950-1954	608,141	70,572	678,713	381,827	1,060,540
1955-1959	183,465	41,808	225,273	.....	225,273
1960-1963	17,845	39,448	57,293	.....	57,293
1920-1963	\$22,184,325	\$3,543,286	\$25,727,611	\$6,165,504	\$31,893,115

CANADIAN NATIONAL EXHIBITION ASSOCIATION

J. ARDAGH SCYTHES—PRESIDENT 1942 ELWOOD A. HUGHES—GENERAL MANAGER
Appointed—April 15th, 1934
T. GORDON DALGLISH—SECRETARY-TREASURER
Appointed—April 15th, 1934

The Canadian National Exhibition Association is composed of representatives of every branch of agriculture, commerce and industry throughout the Dominion, while the City is represented on the Board of Directors by the Mayor and seven members of the City Council.

The permanent buildings, valued with plant and equipment at over twenty-one million dollars, are located in Exhibition Park, which consists of 350 acres within the City limits and extends for a mile and a half along the shore of Lake Ontario.

All Capital expenditures, after approval by the City Council, are financed by the issue of City of Toronto debentures and the annual operating surplus is paid over to the City, thereby reducing the amount to be raised by taxation for debt and maintenance charges incidental to buildings and maintenance cost of grounds.

The 1941 Exhibition, held from August 22nd to September 6th, marked the sixty-third consecutive year of operation and enjoyed the large attendance of 1,839,000, compared with 1,642,000 in 1940. The surplus paid to the City, as a result of 1941 operations, amounted to \$244,105.00, compared with \$170,604.10 in the previous year.

Future annual exhibitions have been suspended for the duration of the war, following the decision of the City and the Association early in 1942, at the request of the Department of National Defence, to make the buildings and grounds available for occupation by the troops in training without the interruption, that Exhibition requirements had previously entailed.

CANADIAN NATIONAL EXHIBITION—CITY'S ACCOUNT

(Not including Royal Agricultural Winter Fair Buildings, See Page 35)
For the Year Ended December 31st, 1941

Expenditure		Revenue	
Maintenance of Buildings and Grounds (Includes \$30,778.89—50% of cost of maintenance of Exhibition Grounds).....	\$ 76,917.49	Operating Surplus paid to City.....	\$244,105.00
Debt Charges:		Province of Ontario—	
Met by City (or from operating surplus received from C.N.E.)....	\$229,437.02	Annual Grant towards debt charges on Horse Palace....	26,182.50
Met by Provincial Government (See Contra)....	26,182.50	Sundry Rentals.....	654.49
	255,619.52	Net Cost to City for 1941 (See Note).....	61,595.02
	\$332,537.01		\$332,537.01

Note:—The above statement does not include any charge for interest on the Capital value of the Exhibition Grounds but includes 50% of the cost of their maintenance and upkeep.
The net cost to the City of \$61,595.02 is a reasonable amount to pay for "good-will" and widespread publicity derived by the City from the annual Canadian National Exhibition, known far and wide as the world's largest annual Exposition.

FUNDED DEBT—December 31st, 1941

Gross Funded Debt incidental to Exhibition Buildings, etc..	\$1,654,733.34
Less: Sinking Fund on hand for redemption of debt.....	211,002.34
Net Funded Debt.....	\$1,443,731.00

ROYAL AGRICULTURAL WINTER FAIR ASSOCIATION

GORDON F. PERRY, ESQ.—PRESIDENT, 1942. F. C. FLETCHER, ESQ.—VICE-PRESIDENT
WILLIAM ARTHUR DRYDEN (President 1919-1923)—MANAGER
Appointed—October 1st, 1936

Membership in the Royal Agricultural Winter Fair Association includes approximately 300 representatives of the Dominion and Provincial Governments, the City of Toronto, agricultural and livestock associations, meat packing and other industries in Canada.

The Fair, recognized as one of the most outstanding exhibitions of agricultural and pure-bred livestock, has been held in November each year. In 1939, upon the outbreak of war, the Fair was suspended as the several large permanent buildings were required for the billeting and training of troops. Such buildings were also occupied by the troops in 1940 and 1941 and future operations of the Fair will depend upon the duration of the war.

City of Toronto debentures were issued from time to time to cover the cost of the various buildings, which were erected at a cost of three and one-half million dollars and occupy a floor area of 25 acres; the relative principal and interest charges are met in the City's General Tax Rate and by annual grants of the Dominion and Ontario Governments. (See Statement below.)

ROYAL AGRICULTURAL WINTER FAIR—CITY'S ACCOUNT

(COLISEUM AND LIVESTOCK BUILDINGS)

For the Year Ended December 31st, 1941

Expenditure		Revenue	
Coliseum and Livestock Buildings:		Rental received from C.N. Exhibition for use of Coliseum.....	\$ 12,000.00
Maintenance.....	\$ 2,389.74	Annual grants contributed through the "Royal" by Dom. and Prov. Govts., (\$35,000 each) on Live-stock Building.....	70,000.00
Debt Charges.....	155,220.00	Net cost of buildings to City for 1941.....	75,609.74
	\$157,609.74		\$157,609.74

FUNDED DEBT—December 31st, 1941

Gross Funded Debt—Serial Instalment Debentures.....	\$907,697.08
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TORONTO MUNICIPAL ABATTOIR AND COLD STORAGE

EARL E. HUNT—COMMISSIONER

Appointed—May 15th, 1933

—◆—

This service was inaugurated August 4th, 1914, to the end that the many small slaughter houses located throughout the City at that time might be eliminated, together with their attendant disagreeable features, and that the slaughtering of food animals could be centralized in a modern sanitary building, and all products more readily and efficiently inspected under the Meat and Canned Foods Act, supervised by the Dominion Government Department of Agriculture.

The large cold storage plant is at the service of the citizens at all times, and food products in any quantity are accepted for storage at reasonable rates.

MUNICIPAL ABATTOIR PROFIT AND LOSS

For the Year Ended December 31st, 1941

Expenditure		Revenue	
Operation and Maintenance.....	\$ 95,929.40	Gross profit on merchandise sold, killing, cooler and cold storage charges, rentals, etc.....	\$138,116.45
Debt Charges.....	16,935.33		
Surplus for year.....	25,251.72		
	\$138,116.45		\$138,116.45

FUNDED DEBT—December 31st, 1941

Gross Funded Debt re Abattoir.....	\$252,595.46
Deduct: Sinking Fund on hand for redemption of debt.....	180,103.73
Net Funded Debt.....	\$ 72,491.73

WATERWORKS

The waterworks system has been municipally owned and operated since 1873. The administration, operation and property of the system are under the control of the Commissioner of Works, while the financing and the collection of revenue are directed by the Commissioner of Finance. All maintenance and operating charges and all debt charges (principal instalments, sinking fund levies and interest) are provided from revenues derived and the annual surpluses are applied in abatement of general taxes.

WATERWORKS REVENUE AND EXPENSE

For the Year Ended December 31st, 1941

Expenditure		Revenue	
Operation and Maintenance.....	\$1,290,967.04	Water Rates:	
Rating and Revenue Collection.....	115,607.44	Water Takers.....	\$3,456,841.73
Debt Charges.....	1,866,225.94	City Service.....	217,472.07
Surplus for Year.....	404,211.33	Sundry Rentals.....	2,697.95
	\$3,677,011.75		\$3,677,011.75

FUNDED DEBT—December 31st, 1941

Gross Funded Debt re Waterworks Plants, Mains, etc.....	\$23,561,982.74
Deduct: Sinking Fund on hand for redemption of debt.....	5,273,917.06
Net Funded Debt.....	\$18,288,065.68

TORONTO HARBOUR COMMISSIONERS

Commissioners

THOMAS RENNIE, ESQ., CHAIRMAN

P. J. MULQUEEN, ESQ.

B. J. MILLER, ESQ.

W. H. BOSLEY, ESQ.

T. FRANK MATTHEWS, ESQ.

E. L. COUSINS, ESQ., C.E., GENERAL MANAGER

Appointed—September 19th, 1935

F. R. SCANDRETT, ESQ., SECRETARY



The Toronto Harbour Commissioners' Act (1911), a special statute of the Dominion Government, provides for the appointment of five Commissioners to administer and develop the Port and Harbour of Toronto and the waterfront properties deeded to them by the City. Three of the five Commissioners are appointed by the City Council and two by the Dominion Government, one of the latter upon the recommendation of the Toronto Board of Trade. The statute authorizes the Commissioners to borrow money by the issuance of debentures for the purposes of reclamation work and general improvements.

Special statutes of the Province of Ontario Legislature (1911 and 1913) authorize the City to guarantee all debentures issued by the Harbour Commissioners. Before doing so, however, the City Council requires that the capital expenditures involved shall meet with its approval.

TORONTO HARBOUR COMMISSIONERS' DEBENTURE DEBT

(Guaranteed by City of Toronto)

As at December 31st, 1941

Maturity Date	Cou- pon Inter- est	Amount Outstand- ing Dec. 31st, 1941	Maturity Date	Cou- pon Inter- est	Amount Outstand- ing Dec. 31st, 1941
			Brought Forward.....		\$ 8,433,000
Sept. 1st, 1942	2%	\$ 468,000	Sept. 1st, 1947	3%	7,500,000
Sept. 1st, 1942	2%	5,000,000	Sept. 1st, 1947	3½%	650,000
Sept. 1st, 1943-1945*	2½%	1,404,000	Sept. 1st, 1948-1953*	3%	2,808,000
June 1st, 1945	2½%	625,000	Sept. 1st, 1953	4½%	1,000,000
Sept. 1st, 1946-1947*	2½%	936,000	Sept. 1st, 1953.....	5%	2,000,000
Carried Forward.....		\$8,433,000	TOTAL.....		\$22,391,000

*—\$468,000 maturity annually

The City, under its guarantee, has met or made provision to meet debt charges of \$13,370,488 to December 31st, 1941, and will continue this policy unless Harbour revenues are sufficient to meet such obligations. From 1912 to 1941, inclusive, the City has received \$11,165,793 in taxes from occupied harbour properties, which prior to 1912 were non-revenue producing and, in addition, the Toronto Harbour Commissioners, during the same period, paid local improvement taxes totalling \$2,162,992.

The assessed value of the occupied Harbour properties including land, buildings and business assessments was \$23,967,727 in 1941.

CIVIC AIRPORTS AT TORONTO ISLAND AND MALTON

Pursuant to a decision of the City Council in 1937, two Municipal Airports have been established: (a) the Island Airport as a combined airport and seaplane base, and (b) an all-weather Airport at Malton, approximately 17 miles northwesterly from the City; the construction work and administration of the airports being conducted by the Toronto Harbour Commissioners. The original expenditures for the airports at the Island and Malton totalled \$1,951,345, of which the City of Toronto contributed \$986,779, the Dominion Government \$514,566 and the Provincial Government \$450,000.

The Island Airport (officially named "Port George VI, Toronto Island Airport"), comprising 177 acres, is an "all way" field having four flightways 3,000 feet long and 500 feet wide, two of which have been paved to a width of 150 feet for their full length. The Airport is equipped with a modern Administration Building—completed in 1939, hangar—120 feet by 160 feet, field lighting system, seaplane ramp, etc.

The Malton Airport (officially named "Bishop Field, Toronto Airport, Malton"), comprising 1,444 acres, was acquired for airport and zoning purposes, the objective being to use the zone-controlled areas for industrial development. Provision was made for flightways covering eight points of the compass, 9,000 feet long and 1,000 feet wide, with paved runways 5,000 feet in length and upwards. Since November, 1938, the airport field (693 acres) has been leased to the Dominion Government at a nominal rental, the lessee assuming the operation costs thereof. Of the flightways, three at the present time have been paved to a width of 150 feet, for lengths (including extensions and additions made by the lessee) of 3,000 feet, 3,800 feet and 4,600 feet respectively. The Airport is equipped with a modern administration building, field lighting system, meteorological offices, radio, etc.

The Department of National Defence has established an Elementary Flying Training School and an Air Observers School at the Airport in connection with the British Commonwealth Air Training Plan.

Air service between Toronto and principal Canadian and American cities is provided by regular scheduled flights of Trans-Canada Air Lines and American Airlines to and from this airport. Trans-Canada Air Lines has erected a modern hangar upon 2½ acres leased in the zone-controlled area.

The National Steel Car Corporation Limited purchased approximately 108 acres, on which a large aircraft plant is now in operation and the Canadian Associated Aircraft Limited purchased 15 acres and have also constructed a large aircraft plant.

CIVIC AIRPORTS REVENUE AND EXPENSE			
For the Year Ended December 31st, 1941			
Expenditure		Revenue	
Debt Charges (Island and Malton Airports).....	\$67,930.00	Island Airport (Operating Surplus).....	\$ 8,682.17
		Malton Airport (Service Fees).....	11,904.51
		Net Cost to City for 1941	47,343.32
	\$67,930.00		\$67,930.00
FUNDED DEBT—DECEMBER 31st, 1941			
Gross Funded Debt—Serial Instalment Debentures, maturing 1942 to 1960.....			\$923,000.00

TORONTO HYDRO-ELECTRIC SYSTEM

Commissioners

JOSEPH GIBBONS, ESQ., CHAIRMAN

KENNETH A. CHRISTIE, ESQ., K.C.,
Vice-Chairman

FRED J. CONBOY, ESQ., D.D.S.
(MAYOR)

E. M. ASHWORTH, ESQ., GENERAL MANAGER

Appointed—April, 1924

The Toronto Hydro-Electric System is owned by the City of Toronto, and operated by qualified executives under the direction of the Toronto Electric Commissioners, a body composed of three members—an appointee of the City Council, an appointee of the Hydro-Electric Power Commission of Ontario, and the Mayor (ex-officio member). Power is purchased from the Hydro-Electric Power Commission of Ontario, and in turn sold to consumers for residential, commercial and industrial purposes.

Capital expenditures, after approval by the Hydro-Electric Power Commission of Ontario and by the City Council, are financed by the issue of City of Toronto debentures or by the reinvestment of reserves. The total debentures issued up to December 31st, 1941, amounted to \$34,583,000, of which \$23,378 293 have been redeemed at or before maturity. In addition, funds to the amount of \$3,564,306 are on deposit with the City Treasurer for the retirement of Sinking Fund debentures at maturity, making the net debenture debt of the System, as at December 31st, 1941, \$7,640,401.

The System has also paid over to the City Treasurer \$141,000 to meet debentures due January 1st, 1942, and at December 31st, 1941, had provided funds to the amount of \$539,777 for unmatured debt redemption.

In addition to the capital expenditures financed by the issuance of the above debentures, the Commissioners have reinvested reserves and surplus in further extensions and improvements to the System, with the result that Fixed Assets as at December 31st, 1941, amounted to \$41,192,800.

The System has always been self-supporting and while it does not operate as a profit-creating organization, the rates are designed with a view to stability. During the entire period since the commencement of operations in 1911, the System has met all debt charges (principal instalments, sinking fund levies and interest), and after providing for the replacement of all equipment at the end of its useful lifetime, a moderate surplus has resulted.

The rates charged for lighting and power (including industrial electric heating) are among the lowest on this continent, the average cost to the consumer for lighting purposes in 1941 being 1.29 cents per Kilowatt hour and for industrial power purposes \$23.65 per horsepower.

See next page for Statements (a) Balance Sheet and (b) Electrical Power Consumed in 1941.

TORONTO HYDRO-ELECTRIC SYSTEM

CONDENSED BALANCE SHEET AS AT DECEMBER 31st, 1941

ASSETS		LIABILITIES	
Fixed Assets	\$41,192,800.45	Net Funded Debt:	
<i>Transmission and Distribution Systems, Lands, Buildings, etc.</i>		Debentures issued by City less redeemed to date and 3% Sinking Funds on hand....	\$ 7,698,287.41
Current Assets	7,203,466.14	Less: Additional Sinking Funds over 3%, \$57,886.19 and Installments, \$141,000.00, due 1st Jan., 1942, (paid to City 31st Dec., 1941).....	198,886.19
<i>Stores and Appliances, Accounts Receivable, Cash on Hand and in Banks.</i>			\$ 7,499,401.22
		Current Liabilities	1,339,276.36
		<i>Accounts Payable, Interest Accrued.</i>	
		Capital Reserves:	
		Depreciation	\$11,073,881.72
		<i>Reserved for Replacement of Fixed Assets.</i>	
		Reserve re Debt Redemption.....	23,586,207.77
			34,660,089.49
		Operating Reserves and Surplus	4,897,499.52
		<i>Reserved for Workmen's Compensation, Public Liability, etc.</i>	
			\$48,396,266.59
Interest in Hydro-Electric Power Commission	19,052,706.83	Interest in Hydro-Electric Power Commission	19,052,706.83
<i>Sinking Fund Equity in Hydro-Electric Power Commission of Ontario.</i>		<i>Reserve for Sinking Fund Equity in Hydro-Electric Power Commission of Ontario</i>	
TOTAL ASSETS	\$67,448,973.42	TOTAL LIABILITIES	\$67,448,973.42

DISTRIBUTION OF ENERGY CONSUMED IN 1941

	Kilowatt Hours
Commercial Power.....	507,000,000
Residential Lighting.....	355,000,000
Commercial Lighting.....	201,000,000
Street Railway.....	112,000,000
Municipal (including Street Lighting and Waterworks).....	78,000,000
Total Current Consumed	1,253,000,000

TORONTO TRANSPORTATION COMMISSION

Commissioners

WM. C. McBRIEN, ESQ., CHAIRMAN

WM. CROFT, ESQ., VICE-CHAIRMAN

W. G. RUSSELL, ESQ.

H. C. PATTEN, ESQ., GENERAL MANAGER

Appointed—December 20th, 1938

By a special Act of the Ontario Legislature in 1920: (a) The City of Toronto was empowered to transfer, by by-law, the control, maintenance, operation, and management of all transportation facilities owned or acquired by the City to the Toronto Transportation Commission; (b) such Commission to be composed of three Commissioners appointed by the City Council for a period of at least three years, members of Council not being eligible for appointment; (c) and fares must be sufficient to make all transportation facilities self-sustaining after providing for maintenance, renewals, depreciation and debt charges.

In 1921 at the expiration of the franchise, the City acquired the assets of the Toronto Railway Company, and upon authority of the above Act transferred control of this property and other City-owned car lines to the Toronto Transportation Commission.

Capital requirements for buildings, equipment and extensions, after approval by the City Council, are provided by the issue of City of Toronto Debentures, but since 1924 all new capital expenditures have been provided by reinvestment of the earned reserves of the Commission. The following debenture debt has been issued to date for transportation purposes, the debt charges on which are met by the Commission:

Year of Issue	Purpose of Issue	Amount Issued
1911-1917	Construction and Equipment of Civic Car Lines.....	\$ 2,502,341
1921-1924	Acquisition of assets of Toronto Railway Company; and rehabilitation and extension of unified System....	39,874,000
1922-1927	Radial Railways.....	1,686,000
	Original Amount of Debentures Issued.....	\$44,062,341
	Deduct: Debentures redeemed at maturity and before maturity.....	26,561,341
	Gross Debenture Debt December 31st, 1941.....	\$17,501,000
	Deduct: Sinking Funds held by City Treasurer.....	*7,191
	Net Debenture Debt as at December 31st, 1941.....	\$17,493,809

*Additional funds of \$593,251 for redemption of debt due in 1942 (accrued) had been provided by the Commission.

Further extensions have been financed by the reinvestment of reserves, with the result that land, buildings, rolling stock and other fixed assets had an aggregate value of \$55,422,512 as at December 31st, 1941. In this total is included \$3,382,183, the value of motor coaches and other fixed assets of the Gray Coach Lines, Limited, a fully-owned subsidiary of the Commission, operating in the City and to surrounding communities. At the present time the Commission owns 242 miles of track, 901 rail passenger cars, 318 buses and motor coaches, 72 rail service cars and 44 motor service vehicles.

TORONTO TRANSPORTATION COMMISSION			
CONDENSED BALANCE SHEET AS AT DECEMBER 31st, 1941			
ASSETS		LIABILITIES	
Fixed Assets	\$55,422,512.42	Net Funded Debt	\$17,493,809.04
<i>Trackwork, Rolling Stock, Electrical System, Motor Buses, Land, Buildings, Franchise Values, etc.</i>		<i>Debentures issued by City of Toronto less amount redeemed to date and Sinking Fund on deposit with the City Treasurer.*</i>	
Invested Funds	2,843,389.34	Current Liabilities	1,031,965.81
<i>Government and Municipal Bonds owned.</i>		<i>Accounts Payable, Interest Accrued.</i>	
Current and Working Assets	*2,743,937.40	Capital Reserves	
<i>Cash, Advances to Conductors and Agents, Accounts Receivable, Stores and Pre-paid Expenses.</i>		Debt Redemption.....	\$24,457,718.03
		Depreciation.....	12,734,352.98
		<i>Additional to that provided for by debt Redemption.</i>	
		Exchange Premium Reserve.....	696,943.20
			37,889,014.21
		Operating Reserves and Surplus	4,595,050.10
		<i>Reserved for Workmen's Compensation and Public Liability, etc.</i>	
TOTAL ASSETS	\$61,009,839.16	TOTAL LIABILITIES	\$61,009,839.16

*\$593,250.65 funds provided for accrued portion of debt due in 1942 are included in Current Assets and are in addition to Sinking Funds on deposit with City Treasurer.

The Commission has a modern system of transportation with the latest type of steel street cars and buses, completely equipped car houses and shops for repair and maintenance, and many miles of new or completely rebuilt track; has adequately provided for depreciation and reserves for all operating contingencies; and has met all debt charges (principal instalments, sinking fund levies and interest charges) on debenture debt. This very satisfactory record has been accomplished on an average fare of slightly over 6 cents (with free transfer privileges), one of the lowest on this continent for cities of over 50,000 population.

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~~Report of the commissioner~~
~~of finance~~
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